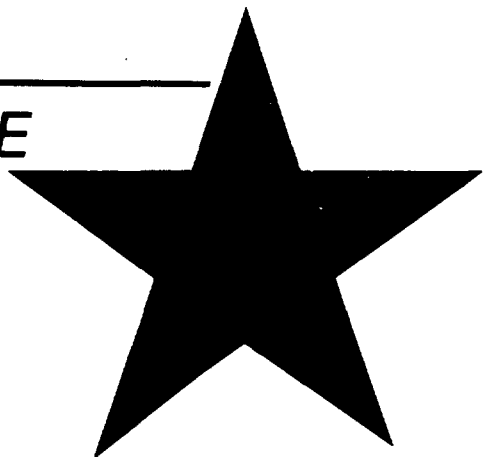

PROGRESSIVE LABOR MAGAZINE

PL



Vol. 12 No 1
Winter 1979
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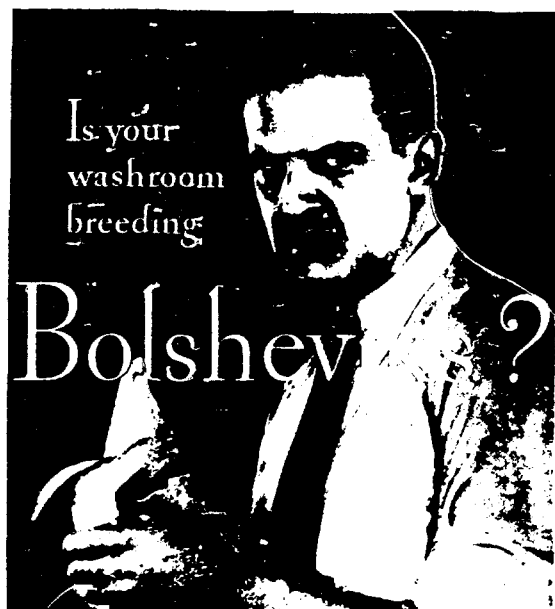
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PL



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Winter 1979

Vol. 12, No. 1

PROGRESSIVE LABOR MAGAZINE
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COMMUNISM IN THE SHOPS:

Put the Line On the Line

4

Learning how to make building for revolution primary while in the thick of the reform struggle on the job is our major task in the coming period. This article evaluates our experiences and their strengths and weaknesses since our adoption of "Revolution and Reform," and suggests how we may move forward.

COINTELPRO:

Cop Plot Flops

23

"Intelligence" documents show how the ruling class uses lies and provocation to attack revolutionaries—but building a base means we won't be divided or conquered.

INTERNAL COMBUSTION:

Capitalist Energy Crisis

32

Written before Carter's program was passed, this article uses an examination of the energy issue to analyze the contradictions the U. S. ruling class faces in trying to slow its decline.

The articles appearing in PL magazine are published because the editorial board believes they are generally useful to the political ideological development of the international revolutionary communist movement. However, only the editorial and documents of the National Committee of Progressive Labor Party represent the official policies of the Party.

notes and comment

Dialectics and Surplus Value

To the Editor:

I think that the article by C.D., "Dialectics - 'Comprehending and Transforming Reality'," in **PL**, vol. 10, No. 6, was very good. I'm led to believe that **Challenge** would be a good place to emphasize Surplus Value. In my experiences in the San Diego shipyards, I found that Surplus Value opened many good conversations. A particular piece of shithouse graffiti sticks in my mind. "Free the Workingman" had been altered to "Pay the Workingman." The point is obvious. Freedom was abstract, almost a luxury. A bigger paycheck was tangible. So, many workers are eagerly receptive to communist ideas. I honestly believe that our main problem has been that too many assholes who call themselves "leftists" or whatever have consistently turned the working class off with respect to communist perspectives and that, my guess, **PL** has many dedicated people but that they may lack an ex-

perienced way of being with working class people.

It's been too long now that in the U.S. communist ideas have been kept away from the working class. Sometimes it seems that petty-bourgeoisie "radicals" are really trying to maintain some kind of "property rights" when it comes to Marxism-Leninism. Over time, I have come to accept the leadership position of **PLP**. Bringing Marxism-Leninism home is the main job. And its home is with the working class. Nobody has to pander to anybody's philistine ways. Nobody should. Maybe people have to get some relatively closed-mouth—open-eyed—open-eared experiences before taking on the task of bringing the story around.

Does any of this make sense? I guess the moral of the story is that I think that it would be a good thing to introduce doses of the Surplus Value story into **Challenge**. As it stands, **Challenge** has sufficient stuff about Proletarian Dictatorship and Revolutionary Party, but some beefing up of Surplus Value with some Dialectical Materialism might improve the paper. Why keep SV and DM for just **PL Magazine**? I believe that the whole story can now be told and heard. My fellow workers in the shipyard love a good story too. Just don't send any punks around to tell it.

I didn't mean to say that last sentence quite that way, because I don't believe any dedicated communist to be a punk. I think I mean that the troops may need some seasoning.

Strong hearts, strong minds, strong bodies, and a strong spirit for today and tomorrow.

San Diego Friend of **PLP**

Death by Consumption

To the Editor

Your review of **Muscle and Blood** - the massive, hidden agony of industrial slaughter in America in the July-August 1978 issue made interesting reading. One of the conclusions, however, it seems to me is not accurate. The reviewer writes in the last paragraph, "**(Muscle and Blood)** ... shows that industrial workers still bloodily bear the major burden of capitalist society. Contrary to the opinion of the National Safety Council, it is on-the-job exploitation, not cars or homes, that racks up the highest toll in death and disability." Such a view has recently appeared in the writing of Vicente Navarro, a prominent revisionist in the public health field: "It is postulated that the main health problems in the U.S. are due not to prevalent life styles - as the behaviora-

lists indicate - but to the dramatic maldistribution...of power...with the absence of control by the working and lower-middle classes over the work process with which they are involved...'1 Although Navarro broadens his critique of capitalism a little, his article makes it clear that he considers direct occupational disease as the most important immediate threat to the health of the working class. He quotes the same figure as does the reviewer in **PL Magazine** - 100,000 deaths each year from industrial disease. There is a problem with that argument. In 1976, for example, there were a total of 1,909,440 deaths in the U.S. If 100,000 were caused by occupational disease, that still leaves 1,809,440 that were caused by something else. It is hard to accept the thesis that 'on-the-job exploitation' racks up the highest toll in death when it accounts for only 5 per cent of them.

Although it is true that production is primary and determines everything else that goes on in society, the main forces in capitalist society which are destructive of health are not focused at the work place. The Health Column of **Challenge-Desafio** has attempted to outline some of the effects of capitalist life-style. Production implies consumption, so diseases of commodity consumption (eg., alcoholism) are still dictated by the system of production.

1) Navarro V: The underdevelopment of health of working America: causes, consequences and possible solutions. **American Journal of Public Health**, 66:538, 1976.

It is estimated that tobacco relates directly to the death of 200,000 people each year - twice the estimate for occupational disease. Workers can be exploited at the point of production in the tobacco industry, so tobacco is produced. It must then be sold and consumed. Consumption is destructive to the health of the working class. It seems to me the same process applies to diet, transportation (auto accidents), and many other serious health hazards.

An exaggerated emphasis on occupational disease, as important a health problem as it is, strikes me as an example of 'workerism.' It is at least not convincingly argued by the data presented in your review.

Richard Cooper

Note:

Beginning with this issue, **PL Magazine** will be published as a quarterly. The issues will be available in December (Winter issue), March (Spring issue), June (Summer) and September (Fall), and will be numbered 1 through 4. A new volume will begin each year, with Winter issue. In addition there will be Special Issues of **PL** about once a year.

*We welcome letters from readers about articles in **PL Magazine** and related topics, and comments on the magazine itself.*

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STATEMENT OF THE NATIONAL COMMITTEE OF THE PROGRESSIVE LABOR PARTY

Communism in the Shops:

Put the Line On the Line

This article was written as part of the preparation for the 1978 PLP convention. It examines the PLP line on Revolution-and-Reform (R/R) in:

(1) union election campaigns; (2) contract struggles and strikes; (3) organizing a union; and (4) general day-to-day struggle in the shop.

I. General framework of revolutionary work in the trade union movement.

In our document on R/R we concluded that, as long as we make the reform struggle primary, we are not operating as revolutionaries and we will not make a revolution. We resolved to turn around our work in the shops and unions. Instead of fitting revolutionary work into the reform struggle, we would fit the reform struggle into the fight for revolution. As we have since found out, this is not just a simple changing around of a few words. It is one of the more difficult tasks we have ever set before ourselves, and we are a long way from making this change in practice.

We said that as long as we operate solely within the trade union structure, within the rules and laws set down by capitalism for unions (which, after all, is a reform organization), we will lose; that **ONLY** if we make the Party primary, establish a base for the Party's ideas, will we win. But, like everything else, this contradiction develops according to the laws of dialectics and has two aspects, primary and secondary.

While we aim to make revolutionary politics primary, and therefore not to operate according to the **content** of reformist trade union politics, we cannot—at least at this stage—operate completely outside the **form** of U.S. trade unions. That is, we must go to union meetings, we must fight on

grievances, we must participate in union elections, contract struggles and strikes, and, if there is no union, we must attempt to lead in the organization of one. That we say we want to immerse ourselves in this union struggle and yet "fit it into revolutionary struggle" appears to be a contradiction. It is. Again, it is a question of primary and secondary aspects.

Some comrades reacted to R/R in relation to unions by so dismissing the secondary aspect that they, in effect, completely negated the primary aspect of revolution and building the Party. That is, for some, union meetings, contract struggles, grievances, elections, etc., were all "reformist." Therefore, they put out a leaflet championing the dictatorship of the proletariat, expecting the workers to fall all over us. (This, of course, is exaggerating somewhat to make the point.) Not only was there little or no participation in the daily class struggle in the shop and union, but there was little or no base-building with workers from the job. So the revolutionary results from such activity in terms of building the Party were very meagre, if any. This is a Left cover for very Right opportunist work, which in reality isolates the masses from the Party's line on virtually every political question by having no one with whom to raise them.

On the other hand, there are those who have tried to fit the reform struggle into revolution-building by bringing the line into trade union reform struggles, more recently into election campaigns. But the pull of both the reform struggle itself, plus our own previous training, both in the Party as well as by the system, has many times swept us so far into militant reform struggle—with the apparent chance to "win"—that militant reform struggle, trade unionism, became primary and building for revolution, building the Party and moving the masses to the Left, became secondary. This is not the way we want the contradiction resolved.

Of course, there are examples where we concentrated on the primary while also dealing with the secondary—good beginnings on this score were made in the boilermakers union in Seattle and in the Local 1199 hospital union in NYC. In addition, some of our activity fell somewhere in between. That is, we would raise resolutions opposing apartheid in South Africa, or fighting racism in anti-busing movements, or endorsing

May Day, etc., in the shops and unions, some of it very much related to the union or company at hand. But we would often then either not follow through on it, or not build a base with particular co-workers. The result was that, while we did raise revolutionary politics, and while it was related to the struggle at hand, we didn't produce any real movement to the Left, any building of INCAR chapters or PLP fractions, or any recruiting to the Party. That is, raising political questions in the unions **without building a specific base among individual workers** is not a fair test of fitting reform struggle into revolutionary politics. Under current objective conditions, we won't recruit that way; workers won't automatically flock to our banners because we have the right line.

... raising political questions in the unions without building a specific base among industrial workers is not a fair test of fitting reform struggle into revolutionary politics

Comrades, sorting out these contradictions and resolving them in a good way is admittedly a difficult question, given our past experiences under capitalism and our inexperience. It is sometimes a very complicated one. But it is by no means unsolvable. As we shall see, we have made some progress on it. But, given the fact that the current fakers who head the trade unions are more in the service of their ruling class masters than ever before, it is even more necessary that we confront them with our own leadership and line, leading masses of workers to create a counter-force, not so much to "make a better union" (although that might be a by-product of such an effort) but to build a revolutionary base. The real traitorous aspect of these sellouts'

actions is, not that they stand in the way of militant trade unionism (which they do), but that they **weaken the working class's ability to make a revolution.**

If our reaction to these sellouts is to turn away from the unions and from class struggle, because they corrupt it, then we will be leaving the field open for them and their system. It is our job to produce nuclei of strength (Party recruits and fractions, INCAR chapters) from this trade union struggle; nuclei which then become the levers for **mass leadership of the working class for power.** The question is, power for what? For a union that fights the class struggle "all the way?" Possibly, depending on how one defines "all the way." If that is limited to getting a better contract, it simply is not the power we're talking about. No matter how "better" the contract is, it will **always** be turned around as long as capitalism holds **state power**, as the militant miners are finding out.

No, we're talking about organizing the masses in the shops and unions to fight: against imperialist war; against fascism and the Nazis; against ruling class-directed racist movements; against the state apparatus of the bosses; against and around many of the questions that do not necessarily arise at the point of production out of the momentary antagonisms between workers and bosses. We may **start** from those antagonisms but, unless we bring in the whole world outlook of communist ideas, and therefore bring these workers as a fighting, Party-led force to bear on these larger political questions, we will continue to be chained to a capitalist-directed reform/trade union treadmill. In other words, we fight for power in the shops and unions to be able to move that power into the streets and against the state power of the ruling class, which exists **outside** the point of production.

A good example of this arose in a discussion we had with some miners during the recent strike. It was in mid-March, towards the end of the strike, and these two militant miners were getting frustrated with what appeared to be a "stalemate", backing the miners towards surrender. They recognized that the Party had some forces that could be used on their behalf and they wanted to know how we could combine forces to qualitatively advance the strike. We suggested that it was necessary to get other basic industrial workers actively

on the side of the miners. Specifically we proposed that they bring a group of 50 or 100 miners to picket the 18,000-worker Inland Steel mill, since it was using scab coal. For our part, we would try to win some number of Inland workers to respect such a picket line, maybe even join it, in an attempt to close down this giant steel company, even for a day.

The miners thought that was a great idea, but immediately asked what would happen if steel workers did refuse to work with that scab coal. We said the company would first probably try to get an injunction against the picket line (in addition to threatening to fire Inland workers respecting the line). We thought they would be able to get such an injunction. Then what? Well, then, if the miners try to continue to picket, the cops would enforce the injunction by arresting them. How would you combat that? By having the kind of base among steel workers (and miners) that would be prepared to challenge the state powers of the bosses. Do we have that at Inland? Probably not; **but carrying out this action would be a step towards getting that base.**

In other words, these miners concluded, "you're telling us that we can't fight out a 'simple' trade union strike without running straight into the full power of the capitalist class" (or words to that effect)? "Absolutely," we answered, Which is exactly why we say we have to build a party among these workers around revolutionary ideas to prepare them for such anti-capitalist battles. Out of such escalations of the class struggle, many more will understand that revolution, not reform, is the primary need, that they need to join a revolutionary communist party that is organizing for precisely that—revolution. The escalations of the class struggle will only occur if workers are following revolutionary ideas and leadership, outside the boundaries of capitalist laws and its reformist framework; and the conclusion that smashing the capitalist state apparatus and the dictatorship of the proletariat is the way to solve these contradictions will also only be understood if we are putting forward these revolutionary ideas **in every class struggle.** (This kind of work among these miners led them to join a Party study group and put them on the road to joining the Party itself.)

So fighting for "power in the unions" really means using all the union forms to enable the workers to use their collec-



PLP and Committee Against Racism members in Calif. demonstrate against U.S. support to South Africa

tive strength as a weapon against capitalist oppression, to fight capitalism as a **system**, to fight for revolution, to follow and join the communist party—PLP—that is organizing the class struggle in that direction.

At this stage, however, the program of an election slate or a strike or a unionizing campaign cannot simply be "Revolution!" Workers will be entering this struggle not necessarily based on understanding the need for revolution and a Party. (If they were, they would be in the Party.) Therefore, such a program has to take into account the secondary aspect of the contradiction, that we are still working within a reformist trade union structure and that workers, in most cases, are still thinking militant reform, not revolution. So we must put forward reform demands, but in a way that fits them into revolutionary understanding. This means that in addition to putting forward Socialism and revolution as an explanation of why, **by definition**, the pro-capitalist union leaders **MUST** sell out, we should also put forward demands that:

(1) escalate the class struggle (30 for 40: right and necessity to strike at ALL times; defiance of all boss injunctions; union leaders' salaries not to exceed the

average worker's; challenge all government intervention as boss-directed; across-the-board, not percentage wage increases; equal pay for equal work and raise women's wages to that of men's; defense of communist leadership of the rank and file; no alliance or deals with cops, courts, or other agents of the bosses' state; etc.);

(2) fight racism (for preferential hiring where appropriate and upgrading where minority workers restricted to worst jobs; against any layoffs, especially since minority workers are usually affected first; eliminate racist job differentials and classifications; against segregation on the job; against racist practices in those areas where the main contradiction is between the system and the people served by the particular industry—hospitals, schools, welfare, other worker-directed services; against Apartheid in South Africa; smash the Nazis and Klan, etc.);

(3) build internationalism (against fascism in South Africa; against deportations—smash all capitalist-created borders; 30 for 40; expose "Buy American" campaigns as pro-boss, anti-"foreign" worker).

This by no means exhausts the list of demands and programs that will escalate

class struggle. In each shop and industry there are particular demands that will do so (the runaway shop, for example). But the main point is to put forward a program that relates to the immediate needs of the workers (and Socialist revolution is really the most important of those needs), a program that, if fought for, leads in the direction of challenging the capitalist system and its state.

Given that as a prerequisite, it would be an illusion to think that we could "win" a particular struggle and "then put a revolutionary line into practice." To attempt to escalate the class struggle without having prepared workers at the outset with some communist understanding, some idea of the kind of counterattack the ruling class will launch,

**... we say put socialism
and revolution "up front?"
Not just the words but
the ideas and the
explanations of why
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as they do**

is to "lead" them to defeat, cynicism, and into the arms of the pro-capitalist sellouts who they are trying to get rid of. That is why we say put Socialism and revolution "up front." Not just the words but the **ideas** and the **explanation** of why conditions exist as they do; why union leaders operating in support of the system must inevitably sell out; why these lousy conditions are part and parcel of a system that is based on profits and class rule by those who make the profits; why and how a revolution can change this, and therefore why we need a party, which they should join, etc.

Of course, all that can't be done in one leaflet or even in one speech. But the sum total of our agitation, literature,

individual discussions and base-building, speeches, chants and marches, songs, signs and banners, etc., in a particular struggle must add up to that. If this is the primary aspect of our work—fitting the reform demands into the goal of escalation of the class struggle to revolution—off as well as on the job, we will develop the ability to prevent ourselves from being swept up into militant reform struggle as the primary aspect of what we do. Otherwise, as militant reformers, we may do a lot better than the current fakers, we may even "win" the leadership of the workers as the "communist" parties of Western Europe have "won"—the better able to serve the bourgeoisie.

Sometimes it may seem that by making the particular reform struggle or demand secondary and revolution/building-the-Party primary, we are not really "interested" in the workers' needs, that we are just "fighting for the record," and not to "win." This is a lie spread by the bosses which infects many workers, including ourselves. We will examine what is "winning" in particular areas of struggle later on in this article. Suffice it to say here that:

(1) Workers can never win any demand permanently under capitalism—it will **always** be taken away at some point (ask the "tenured" teachers who thought they "never" could be laid off;

(2) Unless workers fight the bosses with some revolutionary understanding of the nature of the capitalist state, and what to expect from it if they go all out for their demands, any "victory" will certainly be short-lived, if gained at all;

(3) To be **really** interested in fighting for our best interests as a class means to fight against the system that is the cause of all our problems.

Those who say "don't bring in 'outside' issues," are, if honest, those who do not understand it is precisely those "outside" issues that directly affect their ability to win the demand at hand. As communists we make these issues the **main** arena of battle because we are truly interested in winning—winning **everything**. To restrict ourselves to fighting for one immediate reform is to lay ourselves open to constant assault from the bosses to compensate for any "gain," and keep us on a treadmill just to stay alive (not to mention the millions of deaths that are part and parcel of the capitalism system as long as we keep fighting mainly for that narrow reform).

There are some workers who will be convinced that just fighting militantly for reform will ultimately lead nowhere, but who conclude that "the ruling class and their state are too strong, why fight them?" This cynicism can only be overcome by vigorously pursuing our revolutionary line, escalating the class struggle in a mass way, both off and on the job, so that the Party becomes a real force in the class struggle. As the saying goes, "action speaks louder than words." We may not convince some workers who have become cynical—at least all at once—but there are many others out there ready to be convinced if we would but build a communist base with them.

If we pursue the goal of making revolution primary, of figuring out how to develop a reform program that fits into a revolutionary outlook and builds the Party, if we were to pursue all that **with the same passion** that many of us pursue the reform struggle, energetically engaging in election campaigns, strikes, contract fights, fighting racist firings, etc., we might get the kind of results we're looking for. If we devoted more of the time to insuring that we recruited to a fraction, INCAR chapter or to the Party and less of the time and energy to "getting the most votes," we would probably produce more long-lasting results and avoid becoming cynical or even dropping out of the Party and the struggle.

The role of our literature, especially the sale of **Challenge-Desafio**, in this process is **crucial**. To have regular sales at industrial concentration points, to sell subscriptions, to establish networks inside the work-places of non-Party workers (who thereby become potential recruits), means far more than we sometimes realize in putting revolutionary politics primary. We have often seen how the regular reading of the paper by some worker is the key thing that brings him or her around the Party and into class struggle on more revolutionary grounds. No matter how much we expose the corruption and anti-working class nature of capitalist ideas and culture, (all to the good that we do that), we are basically underestimating their influence unless we vigorously pursue the regular propagation of our communist ideas through the paper, as well as through shop or fraction papers, etc.

There is no substitute for developing a regular buyer of the paper. It represents a certain commitment by that

worker to our ideas and can very well lead to that worker coming forward in the middle of a class struggle in a decisive way. Similarly, the development of regular sellers of the paper—networks inside the plants—represents an even higher level of ideological struggle. These twin tasks are the living examples of our commitment to the primacy of political/ideological incentives over material incentives, a lesson we have learned from past experiences in the international communist movement, and which we say we want to practice in the future to guard against a reversal of the revolution, against revisionism. That, among other things, is what we are fighting for when we guarantee the sale of the paper, and the establishment of networks, especially to industrial workers.

Paper-selling and networks are not substitutes for base-building or for class struggle. They are an essential ingredient of both. Part of **communist** base-building is winning workers to buy and sell the paper regularly. And certainly ideology, in the form of ideas becoming part of the consciousness of workers through the the paper, can become a **material force** in the class struggle. So we cannot talk about putting revolution first, of fitting reform struggle into revolutionary politics, without carrying out a plan for the consistent sale of the paper and the establishment of networks, winning many others to take papers on a regular basis.

One final note here: there are those who will say that because PLP says we cannot take power in the unions through reform struggle, through elections, etc.—that is, because the ruling class will move to use its state power to crush us and therefore make the question one of its system rather than allow us to "take over the leadership" of important groups of industrial workers—that because of this view we "are not really serious" about running in union elections or fighting class struggle or "taking power." Such people say we are really "abandoning" the struggle in the unions.

While we discussed this distortion of our line when criticizing our practice of not participating in reform struggle, let it be stated here that: (1) we recognize trade unions under capitalism as reform, not revolutionary, organizations, whose goals are to fight within the system: (2) that our primary aim is to win workers to revolution and to join the Party, to move masses to the Left, not to "win" elections or grievances—if the latter be-

comes primary, we will stay on the treadmill of capitalism: and (3) we "take power" both through political control at the point of production (not through elections) and by constantly moving that political control against the capitalist state apparatus and against capitalism as a system.

This political influence might reflect itself in getting a majority of votes in this or that union election. But if we aren't prepared to act as a union official in a revolutionary way—that is, use the union position to build the Party; if we don't impel a political attack by the bosses once we assume our union position; if we haven't prepared the workers who elected us for this political ruling-class counter-attack, usually viciously anti-communist; if this is not the course of struggle after a victory at the ballot box, then we essentially have won nothing. If anything, we have either buttressed the system by showing how 'democratic' it is ("it allows a 'communist' to be elected"), or we have encouraged cynicism or hopelessness when we demonstrate that the "communist" good guys can't do much better than the evil sell-outs we replaced since, in the short run, the ruling class is more powerful.

In the last analysis, those who profess to be communists but make militant reform the main question, while putting their communist ideas, at best, on the back burner, are really the ones who are abandoning the struggle for power. While the bosses don't necessarily like militant reformers, they can always turn them around and end up using them for their own advantage to maintain the bosses' state power. "Abandoning" the struggle for power in the unions must be viewed in class terms: are we preparing workers for smashing capitalist state power or are we feeding them illusions about what we can "win" under capitalism?

II. Communist campaigns in union elections.

In the past year we have launched a drive for the Party and INCAR to run in union elections. Why should we run when we say that not only is it impossible to take power through elections but also that the union is not the site of the fight for state power?

We are running these campaigns as part of "fitting reform struggle into revolutionary politics" because: (1) they can become forums for our communist

ideas; (2) they help stimulate class struggle on the job against the boss under our leadership; (3) they make communist ideas themselves a big issue; (4) they expose the bosses and the union sellouts even more sharply; (5) they put us on the offensive, to a certain degree, provided we run a vigorous, militantly communist campaign; and (6) under present conditions, they enable us to reach thousands of workers through union newspapers, mailings, union meetings and candidate debates, etc., which we probably would not have access to without running in such campaigns. No doubt there are more reasons, but these are enough to justify a big effort on our parts in every union we belong to.

"Why" we run can also be answered by the developing reactions from both the union "leaders" and the bosses. We find out from challenging these union fakers that they are extremely weak—**strategically**. In all of our recent campaigns, although in most cases we gained about 10% of the vote, we were attacked by the union leaders like we were about to execute them (they know what's coming). Even though they estimate that their strength is still vastly superior to ours (although they can never be quite sure about this), they usually tear into us with a vengeance. In District 1199 in NYC they accused us of "tearing the union apart," of splitting the union "just before contract negotiations," etc. The "Communist" Party, which supports the Davis leadership and has many organizer posts in the union, printed a half-page attack on us in their paper. Our members were threatened with being fired—all inspired by the union leadership—(three were—two on probation—after the election).

At another hospital union election in another city, among other things we were called "Nazis" on the eve of the election, in a spurious attempt to capture the anti-Nazi vote during a period when PLP was leading the attack against the local Nazi group in that city. In a transit union election, on the one hand many of the nine other candidates for president centered their attack on us; on the other hand, INCAR candidate for president was "offered" the local's nomination for Intern'l Secy.-Treas. at the next union convention (this is the union's biggest local). All this in situations in which the incumbent machine controls the entire election process, has their whole union staff at their free,

many times full-time, disposal to campaign against us, had dead people "voting" in the election, etc. And yet they're worried, abnormally, so, it seems to us.

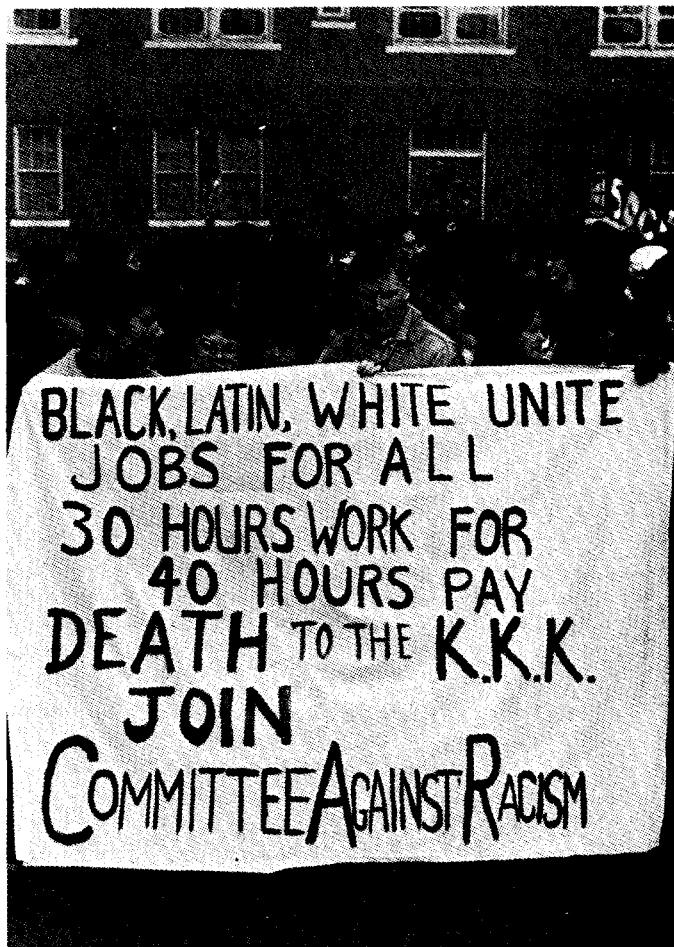
But it's not really an "over-reaction."

The fact is they **do** fear communist ideas like the plague. It is the one thing they find difficult, if not impossible, to buy off. They figure if we "make it up the first step," it will be that much harder to prevent us from getting further up the ladder. And if we do manage to dislodge them, they know it's all over for them. They no longer will be useful to the bosses, and will be dumped for a more able set of fakers the bosses can dredge up. All this desperation causes them to launch all-out attacks against us, so while they are extremely weak strategically, they are ruthless tactically. While it sometimes may **seem** to us like they are running no campaign at all, in actuality they are scheming behind the scenes (and sometimes right out front) to pull every dirty trick in the book to separate us from the workers, including expelling us from the union.

Usually (hopefully, from our point of view) this means a vicious anti-communist attack. Now, in the "old" days, when the enemy launched such an attack against the old CP, the latter adopted the stance that this was a "diversionary" tactic, red-baiting to get away from the "real" issues which these union leaders were never ready to deal with. There is an aspect of truth to that—if the CP'ers were leading some campaign for some militant reform, exposing the fakers running the union, naturally the latter would try to play on the anti-communism of the workers by making the "threat of communism" the main issue.

However, our reaction to drawing such anti-communist fire is "Great!" That's **exactly** what we want, to make communists and communist ideas the **main** issue, to show that these fakers sell out precisely **because** they are pro-capitalist, operate within the system and defend it. It is through provoking this anti-communism that we can bring our ideas more out in the open and before the workers, and fight the workers' own anti-communist ideas, which are fed by the bosses and their lieutenants in the unions.

Of course, if we are in the middle of leading a class struggle on the job, related to a contract or a strike, etc., the enemy will try to use anti-communism to split or defuse that struggle. In that



sense they want to use our campaign as a "diversionary" one. But our reaction must become not like the old CP ("all points of view should be allowed in the union"; and "communism is not the issue"), but must take this anti-communism head-on, explain what we're all about—and what they're all about—and at the same time **step up** the class struggle issue by broadening out its relation to many other issues, still another job of a communist. That's what linking Colgate's contract struggle in San Francisco to its plant in South Africa meant; that's what linking the rise of Nazi/Klan fascism to racist layoffs means; that's what linking the imperialist need for war, the intensifying competition faced by U.S. bosses, the resultant shortage of capital, to the NYC fiscal crisis and mass layoffs means; and so on. This, in turn, helps show workers how communist ideas can explain their plight and then what to do about it: join the Party, fight for socialist revolution, which we put up front in our campaigns.

Of course, when the incumbent "leaders" see us taking the issue of anti-communism head-on, of making it the main issue and showing the relation to all the other issues and to their own sell-out nature, they go wild and join with the boss to try to save their skins.

Accompanying this reaction, is the bosses' own reactions, which further answers the question of "why" we run in union elections. The bosses move closer into even more open collusion with the union leadership to prevent us from getting our ideas across to the workers. They threaten us with firing and often carry out that threat, sometimes before the election if they can get away with it without exposing themselves too much, and more often after the election when they feel the heat has died down and support from the workers will be harder to organize on our behalf. During an election they will step up harassment on the job against us, and even more so against any non-Party forces who might be running on the same slate or who are actively supporting us. This creates an issue in itself which can be fought out on the shop floor and through the union, both to spread class struggle and to further expose the collusion between the boss and the incumbent union leadership.

Of course, these are just the smaller, "low-level" steps taken by the bosses to prevent workers from electing communists to union leadership. In a longer-range, strategic sense, the ruling class will never allow PLP'ers to become the leadership of unions, especially in basic industries, as long as they control state power. Therefore, they will engage in an all-out fight to stop us, especially including the use of force, up to and including assassination. The bosses are not about to give up control of a steel or auto local of thousands of workers, much less an industry, without raising the stakes of battle pretty high.

If by some circumstance we were to win an election for leadership in an important industrial local, and the international union couldn't dislodge us through putting the local in trusteeship or somehow taking it over, then the bosses would either move to fire us, frame us, jail us or kill us, which ever would do the job with the least resistance. In short, the ruling class will constantly counter-attack against us, constantly raise the ante, never waiting for us to "take them" in an election. By bringing their state power into the fray, they will

not only be exposing themselves more to the workers; they will also be raising the stakes of battle closer to the fight for state power—which is exactly the result we want to produce.

We shouldn't get trapped into the illusion that "we'll take them in elections." It is power at the point of production—mass class struggle—leading to workers striking to have communists as their leadership plus **winning workers politically**, to move the power at the point of production to political power, that should be foremost in our minds when we engage in union election campaigns. This means simultaneously raising issues like war and fascism, the Nazis/Klan, South Africa, busing, etc.—broader **political** issues than the "momentary" ones in the shop. And **winning politically**, therefore, means recruiting around these

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ideas and out of these struggles, truly the most important goal to win.

Within that context it is important to try to win other, non-Party and non-INCAR forces to run with us, partly to broaden out the base that can be reached with our ideas, and partly to have them go through this whole struggle with us in order to be better able to recruit them. While we will explain our view of union elections as outlined here to them, actually going through the experience will do more than anything else to convince them that the only solution to the treadmill of reform struggle is revolution and joining the Party.

Of course, winning such forces to run with us should not be done in a way that waters down our line, although non-Party forces might not run on a program that would include revolution. We must make

it clear what we stand for, why we're running, and why it's important for them to run with us even if they don't agree with us on everything, as long as they see the need for communists and non-communists to unite based on the need to have communist leadership of workers. There will be constant pressure from honest workers, both those on the slate as well as supporters who want to elect us, to "just take out that revolution stuff," or "don't bring in those 'outside' issues like South Africa. Otherwise, you'll never get elected."

Fine. This is exactly the ideological struggle we want our campaign to produce. We want to use this opportunity to explain to workers that not only are these **not** "outside" issues but that they are essential to the survival of the working class. In fact, we want to then use such a discussion to put forward our whole line on R/R, to explain that it is precisely this world outlook that makes communists so desirable as leaders of workers. This kind of challenge to us should lead into our explaining just how far the bosses will go to prevent us from becoming that leadership, why, and what would happen if we were elected—what we and the workers would have to be prepared for in the way of an all-out fight with the ruling class.

If, of course, we do water down our line or take out this or that "to get more votes" or "to get elected," we will be doing exactly what the CP did as a matter of policy in their era of union leadership. This will leave the workers—and ourselves—wholly unprepared for the inevitable attack that will come from the bosses and the top labor fakers. Furthermore, in many if not most cases, our slate will be the only opposition slate. If we take a strong communist line or militant anti-racist line (as in INCAR), it may be just as likely to win us more votes, quantitatively and especially **qualitatively**, since the difference between us and the sellouts will be sharper, not just seen as the "outs" against the "ins."

In any case, even if the idea that "Left is broad" does not mean that we will win the majority of votes, what we're interested in is winning workers to political ideas and to the Party, to revolution, not to militant reform. To "win" an election around a watered-down line means losing as far as we and the working class are concerned, since that is exactly the position towards which the

ruling class has pushed militant reformers since the class struggle began. We end up working within the system, and useless, as far as real solutions are concerned—building the Party to make a revolution.

All this doesn't mean we don't take the number of votes seriously, but it is **secondary**. Many workers view us as honest and militant and sincerely believe that if we are elected they will get a "better deal." We won't be bought off like the current leaders is what they think. (Of course, their desire to see us elected is what many times leads them to ask that we leave out the "communist stuff" and the "outside" issues.) So we must discuss and struggle with workers for them to understand what will happen if we **do** get elected. Will the bosses allow us (or anyone serving the class interests of the working class) to run the unions without an all-out fight, without their using any or all aspects of their state power to stop it and/or turn it around? Is the question of who runs the union something internal to the union about which the boss is unconcerned and views merely as an "interested bystander"? Or is it something that the boss will attack through firings, layoffs, runaway shops, contracting work out, etc.? Or worse?

(Of course, we can't allow a cynical conclusion from this scenario: "why fight; the boss and his state power are too powerful." We must steer it to the political conclusion of the need for a Party, to follow the Party's leadership, to have the forces to combat racism, the coming fascism and the rise of the anti-working class Nazis/Klan and war, or be left defenseless, without a force, a general staff to direct a counter-attack.)

So if it does turn out that we get fewer votes for a more revolutionary campaign, this is better than getting more votes for a reformist campaign; it is our job to convince the workers of this, of the importance to build a movement that will have the strength to take on the bosses and their junior partners in the leadership. This movement, led by the Party and its communist ideas, will be the real leadership of the workers, whether or not they actually have the "franchise," the titular leadership of the UAW, the USWA, the UMWA, etc.

Furthermore, it is not a question of getting a tiny vote if we run a revolutionary campaign against getting "thou-



500 workers and students, led by the Committee Against Racism, marched in Boston 11/78 against the KKK

sands of votes" in a reform campaign. In some instances, perhaps many, we wind up getting **more** votes with a more Left campaign ("Left is broad") because it distinguishes us more sharply from the sellouts. Even if such a Left campaign doesn't get us more votes, we usually do draw a considerable number if we pursue a vigorous, more revolutionary campaign because we are convincing workers that to vote for these ideas is to vote to build a movement that will be more lasting and ultimately wipe out the enemy, not just win another few crumbs which will be taken away at the bosses' first opportunity. In other words, the amount of votes is not so much dependent on how fearful (or cynical) workers are of voting for communists fighting in a communist way. Rather it is dependent on how well those communists are putting forward a militantly aggressive campaign built around communist ideas that convinces workers such ideas are in their true class interests.

Again, we take a serious view of the amount of votes, not from the point of view of getting elected but from the point of view of **building a movement**, building the Party, building a revolutionary force that has the power to

really deal with the boss. That is how we view votes; that is what we must convince the workers of. In fact, convincing the workers of that view is one of the central features of a communist-run campaign.

If we don't have such an approach to elections, and sometimes even if we do, and we get a fairly sizeable vote, the next trap laid for us is the one that says: "Hell, these sellouts are weak; we did better in our first challenge than any other 'first challengers'; why, the next time around we can 'take them.'"

This kind of reaction many times means we are gauging the relationship of forces on: (1) the number of votes; and (2) on the bankruptcy of the current leadership. Well, as we said, they are weak—strategically. But tactically they are ruthless and the bosses will now shift their opposition to us into high gear and aim to **destroy** us. If we let a thing like a good chunk of votes blind us to the reality of what's coming, look out! What follows is either a sound trouncing, a boss counter-attack for which we and the workers are completely unprepared, or the pressure to "just omit that revolution stuff and we'll surely win the next time around" (as if the enemy will sit on its hands for

the next two or three years waiting for us to oust them).

While much of this may sound like a repetition of "truths," when we do get involved in such campaigns, with all the warnings beforehand, we still manage to fall prey to some combination of reformist ideas. We get swept up in a generally positive campaign, in the militance and encouragement from the workers, the exposed sellouts, and either begin to believe our "press clippings," to think "votes" instead of building a movement and recruiting, to possibly drop a few things from the program, or only pay lip-service to them in order to get still more votes—"dammit, maybe we can actually 'win'!"

This doesn't happen because we are "rank opportunists" or because we think the Party has the wrong line. More likely it's because of our training—all of us—under capitalism and the previous reformism in the Party, plus our own anti-communism, our not wanting to struggle it out with the workers about what "winning" is, about the need to build a movement, about what will happen from the bosses' end if we do win, about all the revolutionary ideas we stand for and why it's primarily important to fight for them.

What has actually happened in some of our election campaigns?

In the afore-mentioned transit union election, we ran a very militant, issue-oriented campaign. We flooded the work locations with literature, stickers, sold the paper, etc. We fought in the union around the contract (which we helped get rejected initially). We were immersed in the class struggle night and day. We were offered bribes if we'd just step aside. We were attacked by all the other candidates, who ran essentially the old-style campaign ("vote for me, I smile nicer"). While there were no open party candidates actually running, the INCAR literature did raise the issue of South Africa, the ties of the city's First National Bank both to the transit bonds and to South Africa, etc. We won a number of workers to run with us on the slate. Many others worked hard in the campaign, putting in long hours on the actual election day. Much of this was "to the good."

But, primarily we ran a reform campaign, albeit a militant one. We got swept up into a militant struggle against the sellouts (we did help to defeat the incumbents; another faker eventually won the run-off), rather than into a revolu-

tionary struggle among the workers. Based on coming in 5th out of 10 candidates, and getting over 600 votes for president (10% of the total) and over 1100 votes for another position (with still less of a political campaign), we got to thinking that "we can take them next time; that's what all the workers are telling us."

When it came time for runoff between two hacks, one of them actually sent a courier with a hand-delivered message to the INCAR candidate for president (who they had to search for at a party someplace) on the day before the vote to offer agreement with virtually the entire INCAR program plus the local nomination for the International Secy.-Treas. post in exchange for INCAR supporting this phony. Of course, that endorsement was refused (and the faker who offered it lost), but this guy was never exposed by name, nor was this type of unionism. The party didn't really use this opportunity to show just exactly WHY these guys MUST sell out—because they are pro-capitalist.

All this thinking led to the conclusion by a leading person in the campaign that perhaps another organization, even "broader than INCAR," would be useful to "really win the election next time." If agreed to, this would put the Party and INCAR even further in the background next time. It indicates, again, we're thinking of votes, of getting elected, and "then we'll really put a revolutionary line into practice." An illusion, comrades. All that we said about the reaction of the ruling class and their labor lieutenants is coming; without a strong Party, a strong Left, anti-racist movement among these workers, we'll be driven out.

Although we did win perhaps five workers into INCAR, and have won two others into the Party (not necessarily only out of the election campaign, although it played a role), we could have and should have won 50 workers into INCAR, and half a dozen or more into Party study groups. Our weakness in not doing this, in not really putting forward building the Party, INCAR and a movement around Left politics as **primary**, means that when we want to win workers to battle the Nazis, we win many too few. In the last analysis, **that** becomes the test of what we win in these election campaigns. Who will we mobilize when a war starts, when the Nazis and their ruling class backers launch a drive beyond their current turf, when racist

anti-busing movements give a big push to fascist repression against minority workers?

Had we been able to bring out 40 or 50 transit workers to oppose the Nazis, and they might bring out Hundreds next time, that would have an electrifying effect in the union itself, not just in the effect of an organized group of workers challenging the Nazis and the cops. It would mean we are assuming the **political** leadership of the workers there. **That** is our goal in building a communist-led movement among transit workers, the primary aim of our election campaign there.

All this is not raised to make a case against our transit worker comrades. They are among our best comrades. They pursue their lives among their co-workers with a passion that could very well be emulated by many of us. They are at the center of class struggle at work. They are constantly being attacked by the enemy, a good sign. It is precisely because of all this good work that we raise these weaknesses sharply because the potential for Party leadership in that union is vast. And now the possibility for more open Party work exists there. Certainly the coming period, with the racists and the Nazis seemingly ready to launch fascist and anti-busing forays against black and Latin workers, will have a direct effect on transit workers. It is the overwhelmingly black and Latin bus drivers who will be directly attacked, as some have already been. It is a lot harder to make a case that the Nazis are an "outside" issue when it comes to bus drivers. Even earning \$8 an hour is useless when your skull is crushed. It is up to us to make these **political** points primary in our future work here.

A second campaign we were involved in concerns hospital workers in another city. A very militant, positive campaign was developed, after we had defeated the leadership in state convention delegate elections (causing them to try to expel us from the union, which failed miserably). INCAR ran a very open campaign for union leadership in which "Left" did indeed prove to be "broad." The estimate was it won more votes than if the INCAR program had watered down. It turned out to be the biggest struggle ever at this hospital. It got a state-wide reaction from workers in other locals. Four workers joined a Party fraction and seven joined INCAR. INCAR received over 30% of the vote.

Yet, here also we got taken with the idea that INCAR was about to win the election. It appeared that the enemy wasn't running any kind of campaign at all. They were "invisible." But, even in a trade union sense, we completely underestimated them. Although 1,000 workers work at this hospital, only 250 are in the union. We did not make a mass issue out of organizing hundreds of these non-union workers. And, of course, they weren't eligible to vote in the election. Only half of the 250 members actually voted. Of these the leadership got 80 plus and we got 30 to 40. It really isn't surprising that the leadership, operating "behind the scenes," (although attacking us the day before the election by saying we were "Nazis" and that one white candidate was leading a bunch of black slate members around by the nose), it isn't surprising that they might have 80 supporters out of a thousand (and probably even some of these votes were based on nationalism and anti-communism, not necessarily being confirmed members of the sellouts' machine).

The need—and realistic potential—of winning scores of workers into INCAR and a goodly number into a Party fraction competed with the feeling that these sellout fakers were weak and we were about to "take them." If organizing a movement was foremost in our minds, we wouldn't have been thinking about "winning" in trade union terms. If by some strange circumstance we had won under those terms, look out for the vicious counter-attack by the bosses and Wurf. (This is an AFSCME local.) Would the workers have been prepared for such an attack, especially since 75% are **not** in the union? It's doubtful, unless 30 or 40 had become members of INCAR and were following the Party's leadership. Then we might have witnessed a much sharper battle against such a counter-attack, **which would have won still more workers to the Party and INCAR, and would have produced more workers to challenge the Nazis in that city.**

The estimate is that the base for the Party is enormous here—probably 100 papers could be sold every issue here, while 30 are now (and the sale fell during the campaign). The Party and INCAR leading hundreds of workers into joining the union under Left leadership could make for really sharper class struggle here, under our leadership, and would tie the reform struggle to revolution in no uncertain terms. Based on our past work,

we certainly have the goods to deliver.

While we should be careful not to make too sweeping a generalization just from a few campaigns, certainly their lessons are not far off the mark from what many party members might have experienced had they been conducting such campaigns. The overwhelmingly positive side of those campaigns that have been undertaken is just that—that a concerted effort was made to carry out the line on running PLP/INCAR slates in the unions on a Left/revolutionary line. If that hadn't been attempted, none of the above lessons, both positive and negative, would exist to learn from. In that sense, these early attempts at carrying out a Left/revolutionary line in union elections blaze a trail for others to follow, trying to avoid any reformist pitfalls that existed in these early ones.

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Given all this, we should start election campaigns and organize class struggle **NOW**, not wait a year or more "until the nominations meeting." We can begin to organize slates, draw up programs, and initiate class struggle, around the Party's line—anti-racism, South Africa, 30-for-40/anti-racism/surplus value, war, fascism and the Nazis/Klan, etc. Our campaigns should begin well ahead of time, not just last the two months of nominations and elections. Out of this struggle we should be able to recruit, which can be more enduring recruitment than mere "intellectual agreement" with the line and then struggling later inside the Party to carry out class struggle. While we should by no means stop this "miscellaneous" recruiting of people who we win to the Party outside our base of operations in the shop and union,

recruits won **out** or **class struggle** where **we work** may very well be more likely to carry out the line once inside the Party. The more recent recruits seem to be more of that character.

A note about non-Party/INCAR forces on a slate: certainly efforts should be made to win workers who are not members of the Party or of INCAR to run with us on these slates. At the same time it should be made clear to them what program we're running on and **WHY**. The attempt to do that is part of the effort of winning these very prospective candidates to the Party's line on R/R. In fact, the result of winning such a worker to run with us should, at least, be his or her joining INCAR, if not a Party fraction. If we see such a worker running mainly to win the most votes to get elected, and therefore arguing for watering down our line, we shouldn't just let it happen; we should make a big political struggle to win that worker away from such an outlook. That's a key aspect of our "winning."

When we total up the gains and victories from such a campaign, it should note not merely the number of workers won to INCAR and the Party, but the **kind of political struggle, over what ideas and class action taken**, led to these workers being won. When we write an article for **Challenge-Desafio** it shouldn't merely say "three people joined a fraction" and "10 people joined INCAR." It should explain what those people represent, what kind of struggle influenced them to join, how did they come to realize the primacy of revolution/building-a-movement over militant reform struggle, without excluding the latter. And even if we didn't win anyone organizationally, we should still explain the nature of the political and class struggle, so others can learn from that and do better.

For instance, right now a campaign is being launched in Chicago-Gary to win workers in the shops and unions to build a movement to smash the Nazis. This means:

- launching political struggle in the work-place;
- raising anti-Nazi resolutions at union meetings;
- circulating petitions on the shop floor calling for special union meetings to deal with the question;
- getting backing for the Susana Findley case;
- dealing with every question workers

raise in these discussions, putting out leaflets summarizing those discussions, and linking various actions of class struggle to the need to smash the Nazis;

- pointing out to workers that if this fascist movement is allowed to grow, there will be no such thing as union grievances, contract struggles, union elections, etc.; there will only be fascism, and a fight from a far different vantage point. This effort to politicize these workers will not only result in their joining to smash the Nazis; it will also make them the **political leaders of the union and the shop**, which is what we aspire to now, but which does not exist if we cannot bring workers to anti-Nazi actions and similar fights.

Winning people to the Party and INCAR in such a struggle is not winning them merely because they see us as "fighting organizations" that refuse to sell out or even because they like the line in **Challenge-Desafio**. It should be because they not only understand the relation between the growth of fascism and the more intensified oppression of the working class, but also because they see the role of the working class—especially from the point of production—as the key force in fighting fascism and because they themselves have participated in that fight under the leadership of the Party. **That** kind of winning should be sought and explained when it happens (and if it doesn't happen, that too should be explained).

III. Contract Struggles and Strikes

Just as in union elections, the tendency to avoid leading or organizing contract struggles and strikes (as "reformist") or to get swept up in their reform character is also prevalent. To shy away from being in the center of such struggles is not only to leave the field clear for both the sellouts and the opportunists (and thereby help feed the cynicism and hopelessness of workers). It also means we could absent ourselves from the more militant forms of class struggle under capitalism and give up the aim of giving such actions a political character. And we cannot do the latter unless we are fully involved in them. The "trick" is to avoid involvement limited to the reform nature of these struggles and appearing as the "most militant reformers." Again, we immerse ourselves in such struggles, and lead them, in order to move the workers involved in a revo-

lutionary direction.

For instance, if we know a contract is coming up within a year, we should try to assess the boss's status within the general decline of the system, figure out how the company plans to take out capitalism's squeeze on this particular group of workers, and plan a program that links those aspects. Of course, we should try to involve other workers in this effort, preferably in a Party fraction or in a INCAR chapter. If we make a sincere effort in organizing either, or both, and aren't successful, we shouldn't just give up. We should at least take the most Left workers we've been trying to influence and organize a committee to fight for a decent contract with the **main aim** of winning the more advanced workers in such a group to the Party and/or INCAR. We should **not** do it with the main aim of fighting "some kind of" reform struggle, although that may very well result from our efforts.

Into this contract struggle we should bring the Party's line. We should try to pick out the specific aspects of our line that relate to this particular fight. Most certainly this includes the fight against racism, racist layoffs, racist harassment etc. Many can be linked to the fight against apartheid in South Africa. Many have international implications. Certainly 30 for 40 and the uniting of the working class around such a fight is possible in virtually all such contract struggles. The question of the fight between U.S. and Soviet bosses, and the consequent squeeze on U.S. workers—as an explanation for the U.S. ruling class's drive to take away previous gains—has meaning for more and more of these struggles. The pressure to limit wage increases to a point way below inflation rates, and to **cut** wages, is not some isolated phenomenon; it comes directly out of the sagging position in which the U.S. ruling class finds itself. Of course, it's true that the bosses will always try to limit workers as much as they can get away with; but the pressure to do so in a **declining** system is much greater than in an **ascending** one.

Within all this, therefore, the drive towards war, and the racism/fascism needed to carry out a war, may very well be the most pertinent issue of all. So when we "plan for a contract," all these political issues are in the hopper. We, as Party members, must figure out many of these links and how to raise them within the context of a contract struggle.



Auto workers are key for the fight for socialism, (May Day march in Detroit)

This means: a series of leaflets and shop papers distributed at plant gates and inside; articles in **Challenge-Desafio** that are sold to the workers and help set up a network of sellers inside (again, the role of the paper is vital, since it discusses **all** these issues in virtually every paper); resolutions brought to union meetings linking the political issues to the contract; petitions circulated on the shop floor in advance of these union meetings as a way to involve the workers who don't come to these meetings and to encourage more of them to come to support the resolutions; lunch-hour meetings in our departments to raise these issues; and, as the contract expiration gets closer, stoppages, walk-outs, etc., where the strength exists.

It means that winning workers in the organization of this struggle to Party/INCAR actions **outside the workplace** is doubly important. That is, giving them a broader outlook on capitalism, on the relation of the contract squeeze to the rise of the Nazis/Klan, to the increase in racism in the form of anti-busing movements, to the dangers of the need to oppose apartheid, etc.—the under-

standing gained from participating in all these things the Party and INCAR organizers will help make these workers **political** leaders in the contract struggle and win them to the Left and to the Party.

It is not a question of "you can't do two things at once"; it is a **question of broadening out the political understanding of workers by linking capitalism's contradictions outside the workplace to those at the point of production.** The contract fight often offers a unique opportunity to do this because this is the reform struggle that workers may very well be most concerned about and on which they will fight the hardest. And all the pressure to "drop those outside issues" to win the fight "at hand" are as great here as anyplace else. It means we should know the history of contract struggles at our plant and in the industry, the better able to point out the treadmill nature of reform struggles. Certainly the miners' strike proved, in spades, that the most militant reform struggle is not enough to hold onto the most hard-fought gains, such as medical and pension plans.

The strike is an extension of the contract fight, since it should be the aim of every such fight to carry it to its most **antagonistic** conclusion as far as the boss is concerned, and to its most **unifying** conclusion as far as the workers are concerned, especially in situations involving minority and white workers. That is what a strike represents, since it cuts off the flow of profits for the boss, or the flow of vital services on which much of the rest of capitalism may depend, and at the same time it puts workers in a position where unity—fighting against racism, nationalism, disunity of men and women, jingoism against undocumented workers—can become the make-or-break factor.

Furthermore, once workers are out on the street (or, even more militantly, occupying a work-place), the opportunity to give the strike a **political** character is far greater. As this is written (August 1978) some postal workers are wild-cattling. What happens in such a strike if it becomes broader, as in any national walkout of government workers, especially in vital services? In the first postal strike, troops were called out. Based on **political** organizing, can workers be won to oppose those troops? Even further, based on political organizing **in the army**, can troops be won **not** to fight workers? And what would that mean to the Party's standing among a particular group of striking workers if we could show how communist organizing among soldiers is inextricably woven into their fight against their own boss?

Strikes in virtually any industry that last beyond a few days usually meet some form of ruling class **state** opposition—cops, court injunctions, limitation of picketing, government “mediation” and arbitration, etc. Again, this offers excellent opportunities to show the relation of the boss to the state apparatus, of the state as the weapon of a class, and what that means about the need to smash the bosses' state and erect a workers' state. This should be among our **primary** objectives in organizing and participating in strikes. Winning a worker to the party out of this kind of understanding is revolutionary. Winning one to the party based on our functioning the “most militantly” in a strike might set the worker up for future revolutionary struggle once inside the party, but it is far more reformist, weaker, and probably will lead to the worker leaving the party a lot more easily than one recruited on revo-

lutionary understanding. That is our experience.

Also, strikes many times lead from the work-place to other capitalist institutions—government buildings, the media, blocking vital transportation, etc. Interestingly enough, when the N.Y.C. cops recently didn't like something the N.Y. **Daily News** printed about their demands (and cops are not workers), they stopped **News** trucks from moving for an hour. While we understand the role of cops, and would never support them in protecting their capitalism bosses, what if we won a group of striking **workers** to shut down a newspaper or TV station that was spreading lies about these workers? That certainly would be a highly political act, and is the kind of thing possible in a strike if we are thinking revolution, not reform.

One example of trying to conduct a strike in more political, revolutionary terms rather than in the old reform way was the Kansas City school strike. Not only were we militant in the actual organization of the strike but, most important, we looked for the political links in the strike to the rest of the system. Therefore, we raised the role of the state in trying to break the strike as a paramount issue; we exposed the union misleaders as bowing to the bosses' state; we made this issue the subject of a **Challenge-Desafio** editorial and sold hundreds to the strikers, causing them to use the editorial's arguments in challenging their union “leaders.” Furthermore, we were able to use the Party's political line to challenge the racism of the school system, and the nationalism used to split the workers through the hiring of a black school superintendent and through using Jesse Jackson to divide the minority parents and students from the teachers (both white and minority).

Because we did a lot more in this strike to push the Party's line, through paper sales and stories, regular Party leaflets and bulletins about the political issues of the strike, seizing the floor at union strike meetings and warning about the bosses' use of the state apparatus, and the need for a workers' state, constantly fighting against the racism spread by the bosses to split the strike, etc., and because we tried to keep paramount in our minds the need to win strikers to the Left, we were able to form a Party fraction of five out of the strike. It has continued in one form or another right



Anti-racist march led by C.A.R. in Willimantic, Conn.

up to the present, more than a year later, and led us to a wider base of potential recruits all over Kansas City.

While we made many mistakes in this effort, it being one of the first strikes in which we tried to carry out the line of R/R, it certainly proved that the gains to be made for the Party in making revolution, not reform, the main aspect are most valid. The mere attempt itself solidified the Party **politically** in K.C., and made it more confident that it could repeat these efforts elsewhere. It won great respect from scores of workers. Following a revolutionary line on the state helped us to predict the enemy's moves correctly, leading many strikers to follow us, or at least see us as a serious force.

Just as we follow a revolutionary, political line in contract struggles, aiming to build the Party, not to concentrate on the reform aspect, so, too, must we follow this line during strikes themselves. These high points of class struggle can lead to recruits, to winning workers to smash the Nazis, to developing a working-class base against war and fascism, if we but lead them in that direction. Thus, in the heat of a strike struggle, when the union flunkies pose

the question of going back now "because the boss can't afford any more and we'll only hurt ourselves if we stay out longer," our reply must not be simply "the boss **can** afford more, he's making money hand over fist, so let's stay out longer." Especially if there is little rank-and-file strike organization, most workers will not see that as a realistic alternative.

No, our answer must concentrate on exposing the nature of the system and the use of its state and its ideology (racism, etc.) to explain why workers are put into such a situation in the first place. We must be prepared to counter this ruling **class** and its state and ideology if we are to stay out and try to beat them—which means getting support from many more workers and winning **them** to oppose this ruling **class**. All this helps explain why these union "leaders" are so ready to sell out: they make their living from defending the system, being pro-capitalist, and playing the role of keeping the struggle **within** the system's ground rules. Therefore, they **MUST** sell out.

Of course, our answer can't be limited to such a speech, although it's not bad for openers. But we should be ready to

carry out action, and should have been preparing for such action before-hand (during the prestrike contract struggle) **by having been winning workers to the Left, to a fraction or INCAR chapter** so that there will be others ready to support this line and to carry it out. (This would also present a realistic alternative behind a line of "staying out" and escalating the struggle.) So, again, winning workers to a revolutionary outlook is the vital question, not winning this or that reform fight. But, without participating in this or that reform fight, we will have little relation to workers who we would be trying to win.

IV. Organizing a union.

This is an area where we probably have had the least experience, and which may offer the greatest danger of falling into a reformist trap because we are initiating an organization—a trade union—which, by definition, is a reform organization under capitalism.

If we work in a place that doesn't have a union, one of our first aims should be to see one organized, **not** because of the reforms that such a union could institute (although that might happen, for a while), but because it can bring the workers and us into a sharp fight with the boss and the state, and impel the unity needed against all the bosses' splitting ideas—racism, nationalism, oppression of women, etc. Through that kind of fight, again, we can recruit to the Left and to the Party, if we have that **paramount** in our minds.

This is not to say that we're "not interested" in winning a union and the possible immediate gains that could come with it. But the fact is we do know that there are great pitfalls in pursuing that goal, which lead **away** from it. For instance, in organizing a union, there are usually two choices, given a certain amount of initial gathering together (usually secretly at first, than in a mass way) of an organizing group committed to winning a union: should we organize an independent union (which could also be an "INCAR union" or even a "Red" union—to be discussed at the convention) or should we affiliate to some already existing AFL-CIO union?

If we try to affiliate, because workers will think we need the "backing," "prestige" and "strength" of an established union, we run the risk—a sure thing—of

being sold out, having our militancy dampened, and being subject to all the pro-capitalist ideology of these union fakers. On the other hand, if we decide against that and in favor of independence, we may very well face the full onslaught of the local ruling class, not interested in seeing unionism spread, especially independent unionism under the leadership of communists, no less. Will we have the strength to withstand **that** kind of counter-attack? And what about challenging the AFL-CIO union hacks who inevitably will be brought in (with the collusion of the boss if he concludes he can't avoid a union), to assume the leadership of our effort? If we are not in a position to organize rank-and-file backing from other workers, we will have virtually no allies. A tough situation, at best.

These problems are not raised to make us feel hopelessly caught between "the devil and the deep blue sea." Rather, they are raised to demonstrate once again that the **main** thing to be won out of a unionizing effort is moving workers to the Left and to the Party, to demonstrate once again the rottenness of the system and the need to overthrow it. That is, whatever we decide to do—and this includes whatever the Convention comes up with in the way of a policy on union organizing—one way or another the ruling class will come down on us and very possibly succeed in crushing the union, even if it wins initially. That is, the bosses will move heaven and earth to turn it around, as it did to the left-led CIO. So, unless we win some workers to the Party, we really will have won very little.

Right now the union leaderships are so corrupt that it appears to be a dead loser to affiliate. (However, we might be powerless to stop it, and then we'd have to function like any party member in a Right-led union.) Yet, we'll probably experience a titanic fight to lead an independent union, especially as communists. Look at the ruling class/cop effort to keep the Party out of the Los Angeles garment center. But that's just the point: organizing a union leads to **all the contradictions of capitalism coming together in one fight**, all the capitalist ideology being brought to bear to defeat it, all the needs of the workers pitted against all the needs of the bosses. It makes for a particularly sharp fight and opportunity to raise our analysis of the system, its links to all the "outside"

(continued on page 30)



COINTELPRO:

Cop Plot Flops

A great deal has been made of the so-called cleaning up of the bosses' intelligence apparatus during the last few years. The mass media described in great detail the so-called "curbing" of illegal actions against people by the F.B.I., C.I.A. et al. Many of the various "left" groups have also made a big hoopla about the various revelations about the activities of the police apparatus against different groups.

The general point being made by the media and its "me-too'ers" on the "left" is that the bosses are going to restrain their activities against different opposition groups. **Nothing could be further from the truth!** The fact is that the source of the exposures of police activities was designed by the Ford administration, and now the Carter crew, in an effort by the dominant section of the ruling class to establish its total control of the police apparatus. This process is a carry-over from the Watergate period. It was during this time that the Nixon bunch attempted to set-up its own police groupings which were to supersede the established ones. Included in this process was the placement by the Nixon gang of their pals into leading positions in the highest echelons of the intelligence "community."

In addition to weeding out forces that reflected the "new money" boys who surrounded Nixon, the dominant sections of the ruling class, want to make the police machinery more efficient. In order to do this, Ford and now Carter are trying to line up public support for their actions. They want to appear "fair and square." They want us to believe that the



BOSSSES'
INTELLIGENCE
APPARATUS

UNITED STATES GOV. NMEMU

Memorandum

TO : DIRECTOR, FBI (3-111-100)

FROM : SAC, NEW YORK (100-111-100)

SUBJECT: COINTELPRO - NEW LEFT

DATE: 10/2/69

Enclosed are two copies of a suggested leaflet entitled "Get In The Picture", designed to widen the factional split between the Students For A Democratic Society (SDS) and the Progressive Labor Party (PLP) and also to strain relations between these two groups and the Black Panther Party (BPP).

Enclosed leaflet has been marked "Obscene" because of its content. It is noted that an enlarged picture of the rats appearing in the leaflet was recently featured as a center-spread in the publication "RAT". It has also received wide notice in New Left circles including SDS and PLP. The words "PLP" and "SDS" have been added to the picture by the NYO.

Bureau authority is requested to prepare and mail anonymously the enclosed leaflet to selected individuals and organizations active in the New Left movement. It will also be sent to individuals active in the BPP and other extremist black organizations.

PIC1

SAC, New York

10/3/69

Director, FBI

COINTELPRO - NEW LEFT

Reurlet 10/2/69.

Authority is granted to reproduce the flier submitted as an enclosure to relet and to anonymously distribute it to selected individuals and organizations of the New Left and to individuals active in the Black Panther Party and other extremist black groups.

In preparing and mailing these fliers, assure that all necessary steps are taken to protect the identity of the Bureau as the source.

(5)

NOTE: A factional split has developed among SDS, the PLP, and the BPP. The dispute has arisen over such issues as community control of police and the best means of bringing about a revolution in this country. New York has submitted a flier captioned "Get In The Picture!" which is obscene in nature and has been designed to widen the split among these three groups. As the flier may serve to develop suspicion among the three groups, it is being approved.

police are above class interests and act for one and all. So much for this nonsense. What is going on now are moves to **strengthen** the police and intelligence, and to guarantee loyalty to the dominant sections of the bosses.

However, some things can be learned from the information that was trickled out by the Attorney General's office when Levi was its head and which still dribbles out occasionally. For example, from various reports in the press and disclosures by Dept. of Justice, Office of Professional Responsibility, and from our own efforts, we can learn some things which are worth noting. During the period of the mid-sixties to the mid-seventies we were aware of over twenty forgeries put out in our name. Virtually all of these forgeries were exposed by us in **Challenge-Desafio**. Our exposures were so accurate that in public press statements, one which appeared in last summer's L.A. Times, the F.B.I. admitted that **C-D** exposed most of their efforts.

A good part of the "COINTELPRO" effort, as it was called, was to approach different party leaders around the country and threaten them with everything from death to various forms of harassments. On a couple of occasions it succeeded. This led either to personal defection from the party which seemed unexplainable at the time, or to factional activity against the party. Also the police tried to instigate murder attempts. Remember the US (Ron Karenga group called US) murders of the Panthers in California. (See Document No. 1)

Another type of activity the "COINTELPRO" engaged in was the securing of bank account information which would give them lists of names, and in one case a puny attempt to initiate IRS action for income tax evasion against a top party leader. In this particular case it fell flat on its face.

The main activity which went on then and **NOW** was to try to take advantage of differences of opinion in the party to foster splits. You can see by the two enclosed "COINTELPRO" documents that the main thrust of this effort was to encourage nationalism. We know from experience that in many cases then and **NOW** the police place various agents next to people who have developed a consistent right-wing trend in their political outlook. They then agitate this or that force to opt for nationalist policies within the party. This is their most fertile

territory, because of the racist nature of society, for which they are responsible. Because of weaknesses within the party on this score they feel they can drive wedges between black, white, and Latin members. After all, isn't this their strategy within the working class as a whole? They realize that nationalism, no matter how belicose it may sound can be accepted by the ruling class. For example, one of the statements in the second published "COINTELPRO" document says: "New York (N.Y. F.B.I.) feels that the racial issue in this matter is the ideal base from which to launch a counter-intelligence campaign against PLP. It is believed that the enclosed leaflet could help in the exploitation of the PLP internal struggle."

Has not this been the general pattern of most of the organized opposition against the party from within, and without? The ruling class will spare no efforts to split multi-racial unity which our party and our INCAR allies strive for. The ruling class realizes that multi-racial unity around a sound anti-racist and revolutionary line means the end of them.

Thus the focal point of the police activity against the party is to split the party racially, using the vilest racism and pandering to nationalist sentiments. This can best be countered by building a strong anti-racist movement, by fighting racism within and without the party, and by fighting against nationalist currents in the party and the mass movement. In other words, **by carrying out the line!** Within the party difference of opinion on this or that matter should be kept within bounds, or it will be, inevitably, exploited by the police.

There is little doubt that most persistent trends of right-opportunism are fanned by the police. Inevitably this must lead to nationalist programs. By now, the bosses are clear that "nationalism has been the Achilles heel of the communist movement."

In the past, people used to say "how can you know that the police are involved in this or that thing?" Released police information, which is only "the tip of the iceberg," shows that they are. Is police infiltration a crucial matter? Not really, as long as the party continues to place its trust and line among the working class. In the past all revolutionary movements have faced police activities,

Memorandum

TO : DIRECTOR, FBI
FROM : SAC, NEW YORK
SUBJECT: COINTELPRO - NEW LEFT

DATE: 12/30/69

2. Pending Counterintelligence Action

By letter dated 10/8/69, Bureau authority was received for New York to prepare and mail anonymously a leaflet entitled "Get In The Picture" designed to widen the factional split between the Students For A Democratic Society (SDS) and the Progressive Labor Party (PLP). It was also designed to strain relations between these groups and the Black Panther Party (BPP).

During the period 10/15-24/69, the above leaflet was mailed to 280 individuals and organizations active in the New Left movement.

3. Tangible Results

On 1/1/70, [redacted] advised that copies of a leaflet captioned "Get In The Picture" had been received by various people active in the New Left in the New York area. It was generally believed in these circles that the leaflet was the work of The crazies. This opinion was based on the picture of two copulating rats which appeared on the leaflet.

On 1/1/70, [redacted] stated a recent leaflet, featuring two rats and entitled "Get In The Picture", was believed to be the work of PLP elements at the City College of The City of New York (CCNY). Informant reported the leaflet had been described as "PLP campaign literature" by individuals in the New Left movement.

No other tangible results were noted during the period subsequent to 9/30/69.

- 2 -

Memorandum

TO : DIRECTOR, FBI
FROM : SAC, NEW YORK (P)
SUBJECT: COINTELPRO - NEW LEFT

DATE: 7/31/70

SAC, New York

122 Director, FBI

COINTELPRO - NEW LEFT

Reurlet 7/31/70.

Enclosed herewith are two copies of a leaflet designed to take advantage of the factional split in the ranks of PLP with particular regard to recent statements of former PLP leader, [redacted] that his expulsion from the party was based on nothing more than racism on the part of PLP national leaders.

New York feels that the racial issue in this matter is the ideal base from which to launch a counterintelligence campaign against the PLP. It is believed that the enclosed leaflet could help in the exploitation of the PLP internal struggle.

Bureau authority is requested for New York to prepare enclosed leaflet and mail anonymously to selected individuals in the PLP movement both in the New York area and other parts of the country.

Authority is granted to prepare and anonymously mail copies of the leaflet submitted as an enclosure to select to selected individuals in the Progressive Labor Party (PLP) in the New York area and other parts of the country. Prior to mailing this, however, the leaflet should be changed to have the last block read "We found out we were Negroes!" This should be done to remove a racist overtones that the leaflet now has.

In preparing and mailing this leaflet, all necessary steps are to be taken to protect the identity of the Bureau as its source.

Advise of any results noted.

(S)
NOTE:

[redacted] was recently expelled from the PLP. [redacted] has made statements that his expulsion was based on racism on the part of national leaders of the PLP. New York has prepared a comic strip-type leaflet exposing this charge by [redacted]. New York recommends it be anonymously sent to various recipients charging PLP with racism. Since there will be no possibility of embarrassment to the Bureau and it can possibly disrupt PLP, it is being approved.

2 - Bureau (RM) (Encl. 2) ENCLOSURE
1 - New York (PLP) (42) 252-82
1 - New York

(4)
ADVISE 7/31/70

EX-100

12 AUG 3 1970

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COMM-FBI

100-110-110

Memorandum

TO : DIRECTOR, FBI [REDACTED]
FROM : SAC, NEW YORK [REDACTED] (P)
SUBJECT: COINTELPRO - NEW LEFT

DATE: 9/30/70

1. Potential Counterintelligence Action

[REDACTED]

2. Pending Counterintelligence Action

By letter dated 8/13/70, Bureau authority was received for New York to prepare and mail anonymously a leaflet designed to exploit a factional dispute within the ranks of the Progressive Labor Party.

On 9/24-25/70, 160 copies of above leaflet were mailed to selected individuals and organizations active both in the New Left movement and PLP.

3. Tangible Results

No tangible results under this program were noted during the period subsequent to 6/30/70.

2 - Bureau (RM)
1 - New York

REC 45

ST-111

OCT. 1 1970

OCT 7 1970

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

Memorandum

TO : DIRECTOR, FBI [REDACTED]
FROM : SAC, NEW YORK [REDACTED] (P)
SUBJECT: COINTELPRO - NEW LEFT

DATE: 12/30/70

Reference is made to New York letter dated 9/30/70.

[REDACTED]

2 - Bureau (RM) ST-111
1 - New York

5 JAN 13 1971

REC-77

14 DEC 31 1970

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

On 12/18/70, [REDACTED] advised that according to the PLP leadership is now convinced that [REDACTED] is a "cop" and blamed the recent influx of anti-party literature on him. [REDACTED] stated that [REDACTED] is using PLP mailing lists to send out material designed to disrupt the PLP. [REDACTED] mentioned that years ago several PLP members had stated [REDACTED] was a police agent but no one listened to them. Now, the leadership believes these persons were correct.

New York feels that the comments of [REDACTED] are the direct result of actions taken under COINTELPRO program against the PLP. Several primary objectives have been achieved, namely, the disruption of the PLP and its leadership and the shifting of the blame for such disruption on the shoulders of [REDACTED].

Any additional information re above will be promptly furnished to the Bureau.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

3. Tangible Results

By letter dated 8/13/70, Bureau authority was received for New York to prepare and mail anonymously a leaflet - in the form of a comic-strip - designed to exploit a factional dispute within the ranks of the PLP.

During the period 9/24-25/70, 160 copies of the above leaflet were mailed to selected individuals and organizations active in both the New Left and PLP. On 10/26/70, 35 additional copies of this leaflet were mailed anonymously to persons active in the PLP in the New York area.

The 11/1/70, issue of "Challenge - Desafio", page 2 contained an article entitled "Police Forgeries Won't Stop PLP", sub-titled "Cops Spend Thousands to Mis-Print PLP's Program - Mail Out Racist Cartoons and Eggs On Nationalist Attacks - Those Using These Police Lies Ought To Think Where That Action Leads".

The article reports various items that have been received during the past several weeks by PLP members and friends including a "Racist comic strip cartoon distorting the above mentioned internal report showing the worst kind of Stereotype of a black person, sent to many members and friends of PLP as well as others."

New York feels the above article was forced on PLP by the impact of the cartoon and other items. The only defense posture left to them was to blame in print police agencies for the distribution of such disruptive material. It is obvious, however, that a certain amount of editorial agony was involved in PLP's attempted refutation of the racist charges being brought against the National Steering Committee.



Racist killer cops are on the loose all over the country as the bosses' fascist drive increases. PLP and C.A.R. demonstrate against the cops who killed a black man in Crown's Height, B'klyn, N.Y.

and have **defeated** them! Can the police win many stool pigeons, betrayers in the party. No! The police would love us to think they could. They would like themselves to seem omnipotent. The fact is that only a tiny number of workers become stool pigeons. Stool pigeons are alien to workers' outlook. But we must watch out for the few that do, and expose their mischief. Over the years the overwhelming numbers of party leaders and members have withstood police intimi-

dations from death plots (document one), IRS action as previously noted, and many forms of harassments and coercion. Hundreds of party members have been arrested and come out stronger than ever. The police can never break the spirit of a revolutionary organization. So to conclude, we should consider what Mao said: "slight the enemy strategically, and take him into full account tactically." **We can defeat police provocation!**

PL

(continued from page 22)

issues, etc. And even if the union becomes established, the boss **must** continue to attempt to crush it. So the question of merely fighting for reform becomes a leading issue. Our line defining that more reformism as a treadmill will begin to show up more and more as the fight continues. It will present even more opportunity for recruiting workers when they see the struggle unfold as we had predicted.

Of course, in an independent union led by the Party or INCAR, there may be more chance of leading the union struggle **beyond** the work-place into a more political arena (against racist anti-busing, to smash the Nazis, against racist cop murderers, etc.). But as we do that, we will face even sharper opposition from the ruling class. All the more reason for us to absolutely win workers to the Left, to an understanding of why it is **good** and **necessary** to engage the enemy, and to fight to overthrow them.

On the one hand, to avoid organizing a union where none exists is to leave the workers completely defenseless against the bosses' daily attacks. On the other hand, to organize one limited simply to answering those daily attacks and gaining some immediate demands, is to leave the workers defenseless against the **onslaught** that will come from the boss and possibly the local ruling class as the answer to that "simple" effort.

To the extent that the workers understand the nature of the capitalist beast, to that extent will they be prepared to fight tooth and nail against all the tools capitalism uses against workers, and to see the need of joining a Party aiming to overthrow that system. These are the kinds of possibilities pregnant in organizing a union and we should by no means shy away from it. While we should pay attention to the details of how to organize one, again, they should be secondary to the **main goal of winning workers POLITICALLY**, to seeing why they don't have a union in the first place, why it will be so hard to get one, why it will be so hard to keep it if we win it, and why this whole set-up exists in the first place—all because of capitalism. Thus, having a Party fraction or an INCAR chapter committed to some of these ideas is a **big step towards organizing a union**.

If we just concentrate on "winning a union" instead of concentrating on recruiting these workers, then we will

either be smashed or we ourselves will be drawn into opportunist bargaining and will end up as the sellouts we always warn against. So, either way, putting revolutionary ideas up front and recruiting to a revolutionary line is paramount.

Finally, if we put forward communist ideas in such a campaign, no doubt the question will arise that anti-communist workers, or just fearful workers, will not join such an effort. ("It will be defeated before it starts.") But that just begs the question. If we cannot develop a situation where there is some base for our ideas—some basis to have workers understand that, without communists participating in the leadership of organizing a union, we'll never be able to really stand up to the boss in a consistent way and be prepared for all his capitalist attacks—then there's no point in us trying to organize a union. It **truly** will have been defeated before it starts. That we will face attacks as communists "using the workers" or as "bringing in outside issues," is inevitable and, really, to be **welcomed**. That's what we want, to be able to explain to workers the real role of communists, why the bosses need to have docile, unorganized workers, how that grows out of their system, why this situation will be mild compared to one under fascism, etc. In other words, the anti-communist attack coming from a communist-led unionizing effort can serve to spread communist ideas like nothing else we might do there. The key thing is to **build a communist base to be prepared for it and thereby turn it around**.

V. General day-to-day struggle.

Much has been written previously about linking the smallest grievance to capitalism—"we need ventilation and socialism." We can handle everything that comes up in the course of daily class struggle either in a reform way or a revolutionary way. Suffice it to say here that it is in these "in-between" times, in between the high points of class struggle, that the basis to move the heights of struggle in a Left or Right direction exists. How we influence workers **every day**, how we point out to them all the contradictions of the system and why communism is the answer to these daily problems, whether on the job or off. **How we build a communist base** with them, is the key factor in winning them to do all the other things—running in the



PLP and C.A.R. have been in the forefront of the fight against the Nazis in Chicago and all over the country

union election, battling on the contract, leading the strike, smashing the Nazis, taking to the streets, and, ultimately, making a revolution.

To figure out the relations of the daily struggles, the grievance, the racist remark of the foreman, to fascism, apartheid, capitalism, war, etc., to figure these things out means we have to THINK about them, raise them in our club, our fraction, in the shop papers, etc.

We may not be able to do it individually, but collectively we're bound to come up with the answers, including raising it among the advanced workers we're trying to influence about these very issues.

Too often we go to bigger Party actions, away from the job and the workers we see every day—Auto Day, Steel Day, May Day, attacking the Nazis/Klan—and see ourselves as communists then. But, “back in the shop,” we fall right into following reformist ideas, dealing with the daily struggle not as communists but as militant (and sometimes not-so-militant) reformers. This is usually why we bring too few workers to these larger Party events and why they don't become events that see masses of workers participating and leading.

Of course, it is a difficult struggle; we are prey to the same problems that the rest of our co-workers face—domestic problems, money problems, etc.—and to the same individual “solutions” they are prey to, also, mainly getting away from the problem. Along comes the Party not only to say we can't keep getting away, but, in fact, since these subjective and “individual” problems are really objective and mass problems of the working class caused by capitalism, they, too, must be dealt with in a revolutionary way. But, in reality, it's not the Party that won't let us escape; it's capitalism. To the degree that we attempt to run away from the problem, to avoid fighting for the Party's ideas in the daily class struggle, to avoid building a communist base on and off the job with our co-workers, to that degree do we become part of the problem. And to the extent that we tenaciously fight out these daily problems, and attempt to build a base around that fight, to that extent do we build the Party, advance the revolutionary struggle and become part of the solution, not only to the collective problem of working class oppression but to the “individual” problems that we, as part of the working class, face as a class. **PL**

This article was written in the Spring of 1977. Since then the decline in the value of the dollar, the failure to create a stable world economy and the demise of Carter's energy plan have all pointed to U.S. imperialism's economic and political decay and the growing need of the U.S. bosses to reply on fascism to bolster their rotten system.

Internal Combustion:

Capitalist Energy Crisis

The PLP has predicted that in the near future there will be greater state intervention within the economy. In editorials on Watergate that appeared in **Challenge** PLP argued that in part the attack on Nixon et al. resulted from internal disagreements concerning the viability and necessity of wage-price controls. According to the Party, it was the Rockefeller/Mellon fraction of the bosses which was pushing the use of wage-price controls, and who were driving Nixon and his crew out of the executive branch. The next document that called our attention toward the need for greater state intervention was the analysis of the economic crisis, fascism, and World War III. If one examines the fascist movements as they developed between World War I and II, an important feature of these movements is that they were associated with the growing state intervention needed by capitalism. Marx had predicted the increased need for the state to regulate affairs between capitalists so that a general policy could emerge. Lenin further specified this prediction by examining the concrete situation of early 20th century capitalism and added to this analysis the function of the state in coordinating imperialist ventures and directing inter-imperialist rivalries. By World War II this role of the state became even more extended than in Lenin's days, and now PLP, by claiming that the future brings with it fascism and war, is asserting that the state will be playing even a greater role in the economy. Furthermore, by relating this intervention to fascism, the party is assuring that, unlike the situation

during and after World War II (in which the state's role in the economy was greatly expanded), a political crisis of such dimensions will occur that a different form of bourgeois rule-fascism will be substituted for bourgeois democracy.

The first solid signs of increasing state activity in the economy has emerged with Carter's energy plan and his informal wage/price "board." We will attempt to locate the Carter plan within the context of increasing imperialist rivalry and world economic crisis. Furthermore, the plan will be located within the political-ideological difficulties that now impinge on the U.S. bosses in their attempt to resolve their economic difficulties. These problems consist both of internal divisions within the bosses and contradictions between the bosses and the other classes in society—the petty bourgeoisie and the working class. The Carter program will be seen as an attempt to overcome the political/ideological divisions that have up to now paralyzed the bosses in establishing a national strategy by which to overcome their economic weaknesses. By offering such a solution the Carter plan is thus laying a possible political/ideological formation from which it would be possible (if Carter is successful) to "ask" the working class to make enormous sacrifices needed if the U.S. is to remain the No. 1 imperialist dog. Thus, we will finally attempt to develop certain ideas that will hopefully prove useful when considering the necessity of the bosses moving to fascism.

In reading the literature on the energy crisis, one quickly notices that there are two opinions on the magnitude of oil resources in the world. The first opinion is that of the Carter administration and sectors of the environmentalist movement. In varying degrees this position argues that oil reserves are just not there to meet the immediate (the next 15 years) demand; whether viewed nationally or internationally. Consequently, this position concludes that nature is imposing the necessity for a dramatic energy program.

The other opinion on this subject is pushed primarily by business interests; in particular by most of the oil companies. Here the argument is that while oil reserves are limited, there are still sufficient reserves to preclude any immediate danger of an energy crisis. In fact, this position argues that the U.S.

reserves are of such magnitude that in the near future the U.S. could once again be capable of producing cheap energy, but only if price controls on domestically produced oil were removed (thereby providing the profit motivation necessary to encourage new exploration for oil).

Despite reports from the Ford Foundation, MIT and even the CIA forecasting imminent doom, the general consensus in the bourgeois scientific literature on the actual magnitude of the oil reserves seems to conform to the interpretation presented by the oil companies. The **Environmentalist**, a leading lay-scientific journal with an obvious environmentalist bias agrees with big business that the reserves are there. This should surprise no one, for as is true of all things related to social and economic life, the energy crisis is principally conditioned by the class nature of society (in this case inter-imperialist rivalry) and not, as Carter and Co. would have it, by nature.

A correct explanation for the energy crisis must start with Lenin's pamphlet **Imperialism, The Highest Stage of Capitalism**, written over half a century ago. There Lenin points out that the production and consumption of raw materials can only be considered as part and parcel of the imperialist system; hence, the actual development of raw materials can only be understood within the context of inter-imperialist rivalry.

Inter-imperialist rivalry is as much alive today as it was in the years preceding World War I. The U.S. bosses and the Soviet bosses are today the principal antagonists in the struggle for world wide hegemony. It is this struggle that is forcing an energy crisis within the Western world. We should first examine the energy problem in relationship to U.S. foreign policy, and then further place the energy problem within the context of the continued economic crisis that has plagued the U.S. for nearly a decade.

THE ENERGY PROBLEM AND THE MIDDLE EAST

The Middle East is of course the primary region associated with energy and foreign policy. This region has been a hot spot ever since World War II because of its economic and military assets. Recently, U.S. policy has made gains in the area; these gains are closely linked to the energy policy proposed by

the Carter administration. Carter's proposed energy policy intends to raise the price of U.S. produced oil to the world market level by means of a federal tax added to the existing price of domestically produced oil. In this way energy will become more expensive domestically while the U.S. supply of oil will remain relatively stable because the oil companies will not have the economic incentive to explore for new reserves. The high price of oil will supposedly induce conservation and new forms of technology (as we will discuss later). In regards to the current structure of world oil prices there will be no U.S. attempt to alter the existing high prices. OPEC—and in particular the U.S.'s good ally, Saudi Arabia—will remain unchallenged in regards to their influence in setting the price of oil.

The US has made such gains among the Arab powers recently that Israel has become a major stumbling block in the US plan to stabilize the area.

This policy is consistent with events that emerged in 1973. In that year the U.S. government accepted OPEC's dramatic rise in the price of oil which fundamentally altered the price of energy. Why was the U.S. unable to forcibly stop the price hike? Why didn't it just send in the Marines and seize the oil fields like in the good old days of U.S. imperialism? The simple answer to this question is that the U.S. just doesn't have enough muscle. The Middle Eastern countries are no longer waste lands subject to the intervention of the strongest imperialist power. The Arab states are relatively secure; they have consolidated their power on Arab nationalism, anti-imperialism and the enormous oil reserves in their possession. Moreover, there is always the Soviet Union looming in the background.

If the U.S. had intervened it is not at all certain that the Soviets would have been willing to sit on the side lines. Because of the relative consolidation of the Arab states and the enormous growth of Soviet hardware, the days of U.S. gun boat diplomacy are over in the Middle East.

The price hike was a major factor in boosting the economic and political clout of Saudi Arabia. Economically the effect of the price escalation is apparent. Politically the price hike placed Saudi Arabia (the friend of U.S. imperialism) in the forefront of OPEC as it was able to outdo the nationalist leaders in OPEC in pushing the interests of the OPEC bosses. The U.S. was thereby able to gain influence indirectly in the Middle East. This influence has paid off in that the U.S. has become the chief negotiator in the region. (There are other reasons for U.S. gains in the area but they need not be discussed here.) Carter's Secretary of State, Cyrus Vance, flies around the area while the Soviets for the most part must wait and hope that events will turn in their favor. The U.S. has made such gains among the Arab powers recently that Israel has become a major stumbling block in the U.S. plan to stabilize the area. In short from a political perspective the price hike actually helped the U.S. in the region. (See Appendix 1 for discussion of some of the offsetting economic problems caused by the oil price hike.)

THE ENERGY PROGRAM AND EUROPE

The Carter energy program also served to aid the European nations with their balance of trade deficit resulting from the high price of oil. While the oil price hike provided diplomatic gains for the U.S. in the Middle East, it has created severe economic difficulties for the European nations whose main supply of energy is the OPEC nations. One aspect of these difficulties is the unfavorable balance of trade that the price increase has caused between the oil-importing nations and the oil-exporting nations. The increased cost of oil has generated a \$40 billion oil deficit. This deficit is the amount the oil producing countries earn yearly over and above the amount they import from those countries which purchase their oil. Someone has to pay for this deficit, and the Carter administration is arguing that in the case of the European debt the U.S. should help pay for a share of the bill.

This position seems to be a change from the Nixon/Ford policy and for that matter seems to contradict sound imperialist economic reasoning. During the Ford/Nixon years the U.S. attempted to reduce its trade deficit. In fact, it has been argued that the U.S. government in part swallowed the oil price hike because it would have a positive effect on the U.S. balance of payments relative to other capitalist powers. Two years following the price hike the U.S. balance of trade became favorable after years of being in the red. Yet, Carter now is pursuing a policy that will run counter to this goal?. How can this be explained?

What must be remembered about the period under Nixon is that the economic and political malaise of the West had only just began to surface. Consequently, the U.S. did not have a strategy by which to bolster the faltering western economies and contain possible Soviet gains resulting from the weakened position of the West. For the most part U.S. foreign policy rested on the Atlantic bias of the Post-World War II period or Kissinger's ill-fated *détente*. This deficiency did not go unnoticed. Following the monetary crisis in Dec. 1971 David Rockefeller founded the Trilateral Commission. It quickly came into conflict with the policies pursued by the Nixon administration. In order for it to achieve its ends the Commission recognized that it would have to enter politics directly and gain control of the executive branch. Carter was the commission's choice and it is no coincidence that Carter, Mondale, Blumenthal, Cooper, Brezezinski, Young, Woodcock, etc. all served on the Commission.

The general global strategy that emerged from the Commission ran counter to *détente*. The Soviet Union was no longer seen as a partner in establishing world order, but instead in the Commission's view the Soviets became the main danger to world order, or better put, the main danger to U.S. imperialism.

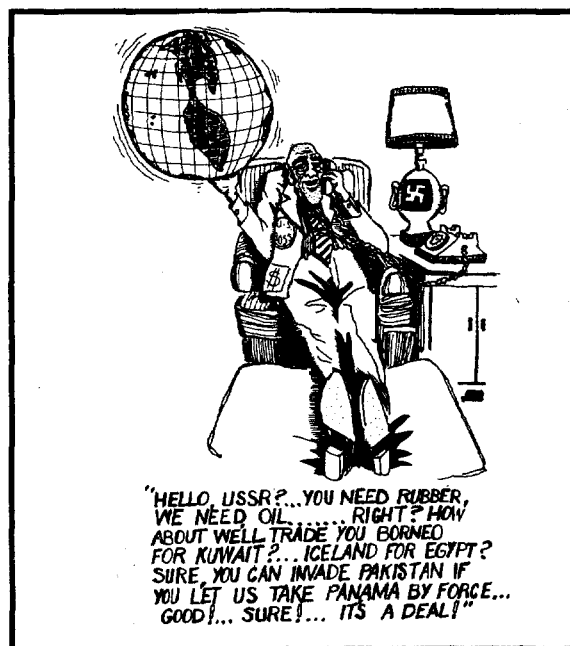
In order to establish this new order (i.e., prevent the Soviets from becoming top imperialist dog) the Trilateral Commission proposes that the U.S. deepens its ties with Western Europe and Japan. According to the Commission this alliance can only be accomplished if the U.S. provides the leadership necessary to bring the Western powers and Japan out of their economic crisis while at the same time establishing 'harmonious'

relationships between the advanced and developing nations.

Carter's administration has certainly conducted itself in a way consistent with this general strategy. One policy being pursued by the Carter administration is particularly relevant to a discussion of the energy program. On May 7 and 8 the political bosses of the U.S., Canada, Western Europe and Japan met in London on Carter's initiative in order to establish a new framework for international trade. Although they may not have achieved that end, it did become clear that these political representatives of capitalism were intent on preventing trade wars as is normal during periods of economic depression. To achieve this end these heads of state pledged not to initiate tariffs and other protective forms of legislation. Instead of regulating trade through these measures the conference has proposed "orderly market agreements" (OMA's). These are nothing more than mutually agreed on trading restrictions politically established between nations in order to avoid commercial warfare.

Along with this proposal there was also the promise that the 'healthy,' economies such as West Germany and the U.S., would take responsibility to stimulate recovery by means of state expenditures. All of this, of course, is designed to solidify the advanced 'democracies' against the Soviet danger.

Carter's proposal that the U.S. pay a disproportionate share of the oil deficit is part and parcel of this overall strategy



to outflank the Soviets. At present the U.S. is running a substantial deficit on its external payments which means that it is in fact helping other nations pay for their oil. While this policy may be what the Trilateral Commission has called for, it does create contradictions. Because of the U.S. trade deficit, the value of the dollar has recently fallen relative to other European currencies. A cheaper dollar means that U.S. commodities are more competitive on the world market. In turn this creates fear among European industrialists and trade bureaucrats so that they clamor for protection against cheap American goods. Given the high level of unemployment in Europe, these forces may be able to muster enough political clout to impose restrictive tariff laws; such laws would shatter Carter's attempt to establish "orderly marketing agreements." Carter's energy policy is a means, even if a weak one, by which to counteract those European forces that might pursue a restrictive trade policy. By conserving energy and reducing the amount of oil imported into the U.S. the energy policy will supposedly reduce the trade deficit and, thus, bolster the dollar. If the dollar does not fall in value, then, it is believed that there will be little reason for European industrialists and trade union hacks to scream about cheap American goods forcing European workers out of jobs. And of course all of this can be accomplished without antagonizing OPEC since the price of oil remains unaffected.

ENERGY PROGRAM AND THE ECONOMIC CRISIS

In pursuing this overall strategy, however, the Carter administration faces this same contradiction at home. A continued trade deficit means pressure from industrialists and their labor lieutenants to pass protective legislation. As in the case of Europe these same forces will complain about foreign goods robbing native workers of their jobs. The garment, shoe, television and steel industries have all lobbied Congress for protection, Carter and his hacks have usually opposed such measures. This conflict has serious political implications. In summary, then, the Carter energy policy when located within the context of U.S. foreign policy becomes another means by which to bolster the U.S. against the Soviets. In other words,

the energy program is another aspect of inter-imperialist rivalry.

In exploring the energy policy within the context of U.S. foreign policy the question of the current economic crisis has constantly arisen. Let us now turn directly to this subject, for it provides yet another avenue by which to understand the Carter energy program. In fact, the economic crisis is the principal determinate of the energy policy. According to our party, this economic crisis can best be explained by the general tendency of the rate of profit to fall. The facts concerning the decline of the bosses' profit rates have been fully substantiated. In fact, William Nordhaus, an influential member of President Carter's Council of Economic Advisors, has made a career of graphing this declining profit rate, although at the same time he remains unable to explain why it occurs or what to do about it. Marx, in contrast, went a step further and saw economic crises as "capital's" only solution to the declining rate of profit since crises offset the rising organic composition of capital and hence the falling rate of profit (see appendix 2).

ECONOMIC CRISIS AT WORK

The principal contradiction of an economic crisis—as of capitalism itself—is between the bosses and the working class. The crisis breaks out because the capitalist class is unable to sufficiently exploit the working class so as to offset the effects of a rising organic composition of capital. What a crisis means for the working class, then, is an intensification of its exploitation. The working class faces growing unemployment, falling wages, and a deterioration in social services. Those who are able to work find the speed of work intensified and the general conditions of work even more unbearable than before.

While this is the primary aspect of a crisis; the secondary aspect can be found in the increased competition that takes place among the capitalists. The battle between the bosses can be simply formulated in the following way: The main question for the capitalists during a crisis is: Who can most effectively exploit the working class so as to increase the rate of exploitation? The battle between the capitalists settles this question, for those who survive have proven themselves to be the most efficient exploiters. In this sense, even

the secondary aspect of a crisis—increased capitalist competition—is conditioned by the principal aspect—the contradiction between workers and bosses. During a real historical crisis both of these aspects are operative, but they shift in importance depending on historical circumstances.

So far the question of a crisis has been discussed solely in economic terms. Politics and ideology have been excluded; yet these are key in resolving a crisis because the state plays a critical role in a crisis' resolution especially during the stage of monopoly capital. Through its ability to intervene in the economy, the state acts as a mechanism by which one set of bosses and their political allies is able to beat out another. Furthermore, the state is a means by which the capitalist class attempts to win the working class politically and ideologically to accept the conditions of its increased exploitation. It attempts to accomplish this task in the present stage of development by supporting trade union sell-outs and by pushing racism, nationalism, sexism and anti-communism.

If the state is unable to win the working class over to passively accepting its worsening conditions of life (which is usually the case), then the state must use open terror to whip the working class into line. Thus, the fight between capitalists over who can more effectively exploit the working class also includes politics and ideology. Each sector of the capitalist class argues that it has the political program that can "win" or force the working class to accept its increased exploitation.

With all of this said let us now examine the energy crisis and Carter's energy plan.

THE ENERGY PLAN: CAPITALISTS FIGHTING CAPITALISTS

Most liberal and revisionist critiques of Carter's plan have called it a "hoax." Despite the mechanism to prevent wind-fall profits going to the oil companies and to "protect the consumer," these critiques of Carter's program have pointed out loopholes in the plan permitting the oil companies to make extra profits at the expense of the "public." Although there is some truth in this critique (if properly reworked) it is certainly not the main thrust of the program. The energy program is **not** designed primarily as a direct attack on the living

conditions of the working class. For the past ten years the bosses have been attacking the working class by reducing wages and cutting back on social services. This trend will continue as the bosses seek to push down wages and increase the rate of exploitation. The energy program is **not** a weapon in this particular assault on the working class. The energy plan is primarily the bosses' attempt to destroy capital value and increase productivity. In fact, the plan requires that utilities convert from natural gas and petroleum to coal. Furthermore, the increased productivity resulting from the introduction of new energy technology will mean a lowering of the cost of producing the goods which comprise the wage packet of the working class. That is to say, the technology leading to increased productivity forced by the energy crisis will "allow" the working class to spend less time laboring to produce its wages—labor for itself—and more time laboring to produce surplus value—laboring for the bosses' profits.

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into line**

Marx called that form of surplus value which resulted by the increased productivity of labor **relative** surplus value; he called that form of surplus value which resulted from the absolute lowering of the working class' living standards **absolute** surplus value. Capitalism uses both methods of deriving surplus value in order to increase the rate of exploitation of workers and offset the falling rate of profit. Therefore, the energy program is an attack on the working class, but not as the revisionist and liberal muckrackers would have it. The energy program attacks the working class

by putting forward one sector of the bosses' strategy for increasing the rate of exploitation and thereby resolving the economic crisis. The immediate effect of this strategy will be increased competition between the bosses. In this sense the controversy over the energy policy is primarily an expression of the contradiction between the bosses in deciding on what is the most effective way to raise the level of exploitation.

This increased competition between bosses is also seen in the political ramifications of Carter's proposals. At present the price of domestic oil is set by the government. Although the regulatory board keeps the price of U.S. domestic oil below the world market price, world market prices still influence the final costs. Consequently, the prices of domestic oil are well above actual costs. By increasing the domestic price to world levels, the oil companies producing domestic oil will receive even greater super-profits on their investments. What Carter's tax proposal on raising the price of domestic oil by means of a wellhead tax is designed to do is **to transfer those super-profits from the oil companies to the state**. At first sight this may seem contradictory to the notion that the state rules on behalf of the capitalist class. But it in fact is quite consistent with the proposition, for given the dimension of the present crisis, the state has the enormous responsibility to construct a program by which to resolve the crisis. Those characters in charge of the state do not believe that the oil companies possess an overall view of the system. If they are in control of the enormous revenues that will result from the rise in the price of oil, there is no guarantee that these companies will invest in a pattern that will actually promote further capital expansion. Thus, the state (representing the dominant section of the ruling class) wants to control these super-profits in order that it can have a direct hand in plotting the course of future investments.

By raising the price of energy through a tax placed on the final price of domestically produced oil, the Carter program will increase competition between capitalists, forcing many to fail. The destruction of capital values resulting from these failures will **decrease** the overall organic composition of capital and thereby help to offset the falling rate of profit. Eventually, the high costs of energy will force new forms of tech-

nology to be introduced into the production process, forms which will be based on new and less expensive forms of energy, or which will run on less energy. The Carter energy plan encourages the development of such new techniques by granting business tax breaks for converting to new forms of energy and for introducing new forms of energy-saving technology.

How can this antagonism be explained? In part it can be explained in terms of "old money" and "new money." "New money" is more heavily tied to domestic oil, and therefore has more to lose if the energy plan is carried in Congress. Furthermore, this sector of capital has enormous investments in domestically-produced natural gas. During his campaign Carter promised to deregulate the price of natural gas. In his plan, however, Carter proposes to maintain regulation but at a higher price. He also intends to extend federal control over intra-state gas which sells at a higher price than the regulated inter-state gas. "New money" is completely dismayed with this proposal and is doing everything it can to oppose it.

At an ideological level Carter's intent to transfer a portion of the oil companies' super-profits to the state can be seen in the administration's rhetoric concerning the need for new types of energy expansion. The trend for greater state control over investment can also be found in the enormous increase of state expenditures into research and development for new forms of energy. At present the Energy Research and Development Administration has a \$2.2 billion research and design budget, and it has surpassed NASA as the government's No. 2 research and design contractor. With the projected revenues from the tax on domestically-produced oil, this expenditure is certain to expand. The battle within the capitalist class is being fought almost immediately around who should get these revenues—the state or the oil companies. In the long term sense, the battle is over who should basically direct the development of capitalism. Thus it has been argued that Carter represents "old money" interests and that he is putting the screws on "new money." This is in fact the case, but with certain important qualifications, which must now be examined.

Although there are clear economic conflicts between old and new money, what has in fact occurred is a more or

less united capitalist effort to block the Carter plan. This is most evident when one examines the oil companies. The big oil companies—regardless of ownership—have come out against the plan (with the exception of Atlantic Richfield). The most vocal of these companies is Mobil Oil, a Rockefeller-owned corporation. Indeed, the President of Mobil Oil has dedicated himself and Mobil Oil to defeating Carter and the environmentalists. In his opinion their energy plan would destroy the good old American way of life by bringing government into areas in which it does not belong. This opposition to government regulation may seem strange, since it was the monopolies during the Progressive and New Deal eras that initiated the regulatory commissions. But those forms of regulation are qualitatively different from what Carter's

**Carter's tax proposal
on raising the price of
domestic oil is designed
to transfer those
super-profits from the
oil companies to the state**

plan now proposes. Those agencies, such as the FTC, are designed to regulate competition so that the monopolies do not have to fear any new companies entering the market, or any cutthroat activities on the part of an established company. These agencies do not appropriate a share of the profits nor do they direct investments. Such activities are precisely what Carter's proposal would establish. For management this is a direct attack on their turf, and it constitutes a new relationship between business and government. For narrow corporate reasons as well as for ideological ones the business world is opposed to Carter. At an ideological level old and new money hirelings are united.

How can we explain that a Rockefeller Co.—Mobil Oil—and, for that matter, numerous Rockefeller-owned companies (e.g., Citibank) opposes the Carter

plan? How is this possible when Rockefeller money has pushed Carter into the Presidency? And how can this be consistent with PLP's line that the basic split within the ruling class is between "new" and "old money"? Two conceptual points can help answer these questions. To begin with, the Rockefeller family does not simply control the workings of this empire. It is too big and complicated, both from an economic and legal viewpoint, for any individual to control. In fact, it is so large that parts of it may come into economic conflict with one another, creating internal contradictions. Motivated by these internal conflicts and limited by their partial view of the system these managerial hirelings engage in ideological and political activity through innumerable business organizations. Consequently, it is possible for "management" and "ownership" to diverge on an overall strategy for capitalist development.

With regard to the Carter energy program this is precisely what has occurred. This divergence is also taking place in relationship to the international strategy that the Trilateral Commission is pursuing. Old money industries, most notably steel, that are hurt by the administration's free trade policy are seeking political bedfellows. In their opposition to Carter parts of "old money" are converging politically with "new money." However, it must be remembered that "old money" here refers to the managerial hirelings et al. within this bloc of monopoly capital. The "old money," or, more specifically, the Rockefeller camp itself, is committed to the Carter administration. Thus, when we speak of a Rocky or "old-money"-dominated state what is actually being referred to is a political, not an economic entity. "Old money" is linked intellectually and politically into the state through various liberal endowment funds, universities and high-level policy organizations. Economics—although finally structuring policy—does not play an immediate role in solidifying this fraction. And, as we have seen, this fraction wants to strengthen the state in order that it can guide the accumulation process. This fraction does not trust the market to spontaneously rescue the system from this crisis nor does it trust the business community to provide the leadership by which to resolve the crisis.

THE IDEOLOGY OF THE ENERGY PLAN AND THE ECONOMIC CRISIS

So far the argument that the energy program is primarily determined by the economic crisis rests on the linkage between the program on the one hand and the causes for the crisis and the mechanisms for its resolution on the other hand. If the argument is correct, there is still another connection that can be made—the connection between ideological and political practice. The bureaucratic crew that wrote Carter's report did not sit down and read Vol. III of Marx's **Capital** before writing the energy program. These characters, however, were thoroughly familiar with the bourgeois economic literature on the crisis. If the intent of the energy program is in large part to deal with the economic crisis, then those half-baked notions of bourgeois economics should pop up in the projected economic impact of the program.

What, then, does the bosses economics have to say on the current crisis? As already mentioned, the bosses do see some connection between the falling rate of profit and their economic problems. Precisely why the rate of profit is falling and even what its real meaning is are subjects that big-shot economists (e.g. Nordhans) are currently debating. In addition to the problem of profitability, the questions of productivity and capital expenditures have been cited for inflation and in part to counteract the declining rate of profit, the bourgeois economists have been urging U.S. business to make greater strides in productivity. In fact, there seems to be a consensus that U.S. productivity in specific industries has been declining relative to other nations', especially the Soviets. The pressure to increase productivity is also related to the lag in capital expenditures. Prospects for capital growth in 1977 are only 8% in real terms, well below the 10% growth figures needed by the Carter administration if it is to balance the budget by 1981. Furthermore, the increase is heavily weighted in the motor vehicle industry and not the capital goods industry, so that the expansionary effects may not be as great as the aggregate figures would suggest. Economists seem to blame this lack of spending on a shortage of capital. **Business Week** has estimated that there is approximately a one trillion dollar capital shortage if growth is to continue at a sufficient rate. In addition

to the problem of a general lack of productivity and capital shortages (all of which can be related to the falling rate of profit from a Marxist perspective), economists have recently cited the high cost of energy as a deterrent to increasing capital expenditure. In the *N.Y. Times* of July 7, 1977 there appeared a lengthy article on this subject. According to that article, many economists are now arguing that the high costs of energy is prohibiting companies from purchasing capital goods since the increased costs to operate them is cutting into profits. Because wages are rising more slowly than the costs of energy, business is opting for expansion by employing more workers. Such investments, in the opinion of most economists, have limited possibilities for growth and ensure lower levels of productivity. One economist, Jay Forrester of MIT (who co-authored the limits-of-growth thesis that influenced the Carter energy crew) has gone so far as to argue that all of these economic difficulties are related to the limits on long-term growth inherent within the economic structure that has propelled growth since World War II.

The Carter energy program speaks to every one of these points. The principle from which the program was designed is known as "energy conservation." The notion of energy conservation is most likely an old one within environmentalist circles. The notion, however, only recently received billing within ruling class circles when the Oct. 1977 issue of **Foreign Affairs** carried an article on the subject written by Amory Lovins, a British physicist and representative for Friends of the Earth Inc. Lovins made the case that conservation is not simply an environmentalist's slogan; it is the most economical path for the western powers to pursue in dealing with the high costs of energy.

The arguments for conservation have been widely circulated since Lovins' article within the business world. **Business Week** and **Fortune** have both devoted important articles to the subject. In addition to mentioning the possible productivity gains that conservation theoretically offers, these journals point out that conservation as promised in the Carter energy program could in fact help stimulate capital spending. **Fortune** put the point in this fashion: "Building an energy-efficient society would mean altering or retiring a considerable portion of the capital and consumer goods that

were designed for an era when energy was cheap and plentiful." This new demand will generate, according to **Fortune**, a \$500 billion capital goods boom.

At present, literature on the overall structural effect of the program has not been forthcoming. However, it seems safe to say that such spending will undoubtedly help transform the economy as it has been structured since the Second World War. The general drift of the Carter plan seems to be pushing the economy away from being regulated by the ups and downs of the auto industry; instead the program seems to be pushing the economy into becoming more in tune with industries associated with power generation and new forms of technology. It is in industries that demand advanced technology that U.S. capital has comparative advantage and has consequently been able to hold its own on the world market. By means of the energy program, the Carter administration is attempting to encourage the trend toward those more advanced industries such as computer, control instruments, power generation etc.

BOSSSES ARGUE AMONG THEMSELVES

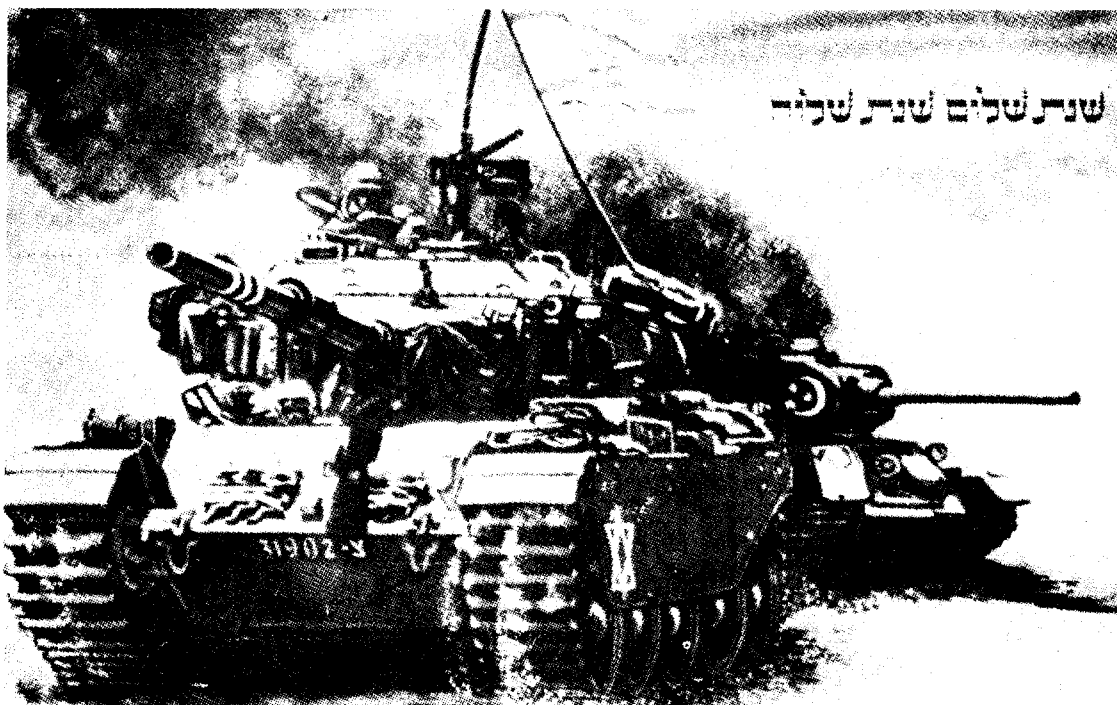
It has already been established that from a Marxist perspective Carter's energy program is designed to increase competition and destroy existing capital values so that accumulation may once again take place. Furthermore, the plan encourages certain kinds of productive investments. These transformations would be encouraged under the leadership of the state. The free market would no longer simply dictate economic affairs. Up to the present the U.S. government has principally been used to undertake investment in **non-productive** areas such as water resources and high-rise public housing. Highways may be an exception to this pattern but even here investment is in a sector in which private ownership is not feasible. The other function of the state has been to regulate monopolies—an activity which the monopolies have not only condoned but actively encouraged. The new increased intervention by the state is bound to create sharp political struggles. In order to assess the general character and direction of these struggles, let us first examine the various ideological positions on planning in general and on the energy situation in particular. Once this is done

the political implications of these positions will be suggested.

As we have already seen there is one position which totally opposes the Carter energy policy and calls for the end of state regulation of oil. The argument used to justify this position is a simple supply-and-demand one. If the price of oil would be raised to the world market level then oil companies would find new supplies. As these supplies diminished investments would be made into new energy sources. According to this position the market is more competent at ensuring economic efficiency than the government. As we mentioned this position has been adopted by the oil companies.

The non-interventionist position finds further support among the petty bourgeoisie and small and medium capital. On the one hand, these classes associate state intervention with monopoly control over government agencies in order to protect monopoly markets from intruders. On the other hand, the petty bourgeoisie and small capital associate state intervention with a welfare state which they perceive as providing special breaks to the working class and minorities. One need only to look to Boston and the busing issue to see how this works. Most of the leadership against busing stems from petty bourgeois leadership like Louise Day Hicks. These racists argue that the state is no longer representing them (as if it ever did). Instead, the liberals (monopolists) and minorities control the state, denying the poor slob racists like Hicks their precious rights to prevent their kids from sitting in the same class room with blacks. ROAR's full name Restore Our Alienated Rights implies all of this, and, in essence, it has the same line as did the Nazi Party in pre-WWII Germany. Another group similar in theme to ROAR but different in composition is the Tax Revolt creeps in California, New Jersey, and elsewhere. This grouping may have a constituency a little more affluent than Hicks', but its line is very similar. Increased taxes hurt the middle classes, e.g., managers, professional, etc., while helping minorities and poor whites. This group stresses that the government is no longer serving the interests of the "people" and uses rhetoric taken from the American Revolution. In short, these groups are fascist in the most traditional sense of the world.

The position against state intervention



As U.S. bosses strengthen their ties with Arab rulers and their oil tanks, Israel and its battle tanks are turning from ally to nuisance.

is reinforced by mainstream economics taught at most colleges and universities. Keynesians, the main school within economics, argue that the state should only intervene by controlling the level of taxes. The proposition here is that when times are bad, a cut in taxes will increase the revenues and therefore increase demand. These "right Keynesians" (like Gerald Ford and crew) want to cut taxes for business and the rich; this group was influential in the tax cuts of 1964, 1972, 1974, and 1975. This position is bankrupt from both a political and economic viewpoint. Tax cuts are no way out of a crisis. Tax breaks do not increase the production of surplus value. Nonetheless, because this position is pushed in the colleges and corresponds to certain class experiences, it still manages to command some respect in the ruling class. In all, the anti-Carter position on energy incorporates three relatively distinct groups; (1) part of monopoly capital which does not conceive of capitalism in political terms; (2) the new money creeps along with small and medium capital; and (3) various sectors of the petty bourgeoisie.

The second ideological position on the energy policy and state intervention in

general is that of the left-wing Keynesians. Its principal spokesmen seem to be located in an organization called Initiative Committee for National Economic Planning; its members include such 'notables' as the Nobel prize-winning economist Wassily Leontief, Leonard Woodcock, John Kenneth Galbraith, and Robert Heilbroner. This grouping would like to see the creation of five new government bodies including an Economic Planning Board which would co-ordinate long range planning of Federal departments and agencies and prepare an economic growth plan for the U.S. as a whole. Its objectives would include, according to a **Fortune** article (March, 1977) "full employment, price stability, equitable distribution of income, efficient utilization of private and public resources, balanced regional and urban development" and a host of other utopian dreams. In order to accomplish these dreams Leontief would use "selective control of capital and credit flows, tax exemption, or even direct public investment." Needless to say, this group of social democrats is not the most influential. Political and ideological conditions have for the most part isolated this group from mainstream thinking

within the ruling class, even though they form an important part of the Carter coalition ("the left" of the labor movement) and is responsible for a number of important bills, including the Humphrey-Hawkins bill, now a dead letter.

Furthermore, this grouping has lost credibility in that to realize its goals of full employment etc., it proposes government spending on everything. It does not care what the government spends money on as long as it continues to generate demand. Big capital knows enough that government spending will help only if it goes into productive investment—like rebuilding the railroads. That is why big capital has little use for left Keynesianism (which produces a serious crisis for bourgeois economics; witness **Business Week's** blistering denunciation of the whole economics profession after the Dec. 1977 AEA Convention). In regards to the Carter energy program this grouping has shown little in the way of opposition except to perhaps argue that the bill does not go far enough.

There is still a third position on the question of state intervention.

In the May 1977 issue of **Harpers** there appeared an article by Charles Schultze, the President's chief economic advisor. The article itself originally was written for the Godkin Lectures at Harvard University in December 1976 and it is to be published in book form by the Brookings Institution later this year. It, in short, is a big deal statement and generally lays out the Rockefeller camp's thinking on planning. Schultze accepts the notion that the market may, in certain cases, not perform optimally, so that state intervention is both necessary and a positive thing. In fact, the historic trend, according to Schultze, seems to demand more, not less, state intervention. Does this mean that Schultze agrees with Leontief or some other standard welfare economics position? No, it does not; and Schultze makes it crystal clear that he dissents from the traditional position on state intervention. The traditional position Schultze labels as a "command-and-control module" that is grafted "onto the private enterprise incentive-oriented system, usually in the form of a regulatory apparatus." Schultze finds this type of intervention questionable for both economic and political reasons. First, this form of intervention undermines the consent arrangement of the marketplace which minimizes the need for coercion.

To have regulatory agents coerce people to act against their wills is a position that Schultze finds contrary to good political and economic logic. Second, the command-and-control position is unable to function properly because it cannot obtain either accurate or sufficient data. Third, the command-and-control apparatus creates too many political problems since the state becomes responsible for the dislocations and the sufferings of the market place. When the "free" market pushes people out of jobs, attacks living standards, etc., there is no one to blame but "nature." Finally the system of government that has developed in the U.S. is so restrictive in its regulatory functions that it narrows economic activity and is unable to promote technological innovation.

Although the command-and-control form of intervention is not right for U.S. capitalism, Schultze says that a second variety of planning is. Schultze describes this variety as the modification of the "informational flow, institutional structure, or incentive pattern of the private system." Essentially, this modification is done by various fiscal policies that are in the possession of the state such as taxes, rebates, subsidies, etc. What these policies are intended to do is make desired actions on the part of business or individuals profitable and non-desired actions unprofitable. (Schultze gives a number of examples, one of which includes the voucher system for funding higher education). According to Schultze, in approaching planning from this angle one essentially retains all the political and economic advantages of the market (not to mention the ideological cover that the market places over the real nature of class relationships).

Schultze's essay does not have a program for the energy crisis. The details of this position were perhaps first made known through an article in **Fortune** magazine in February of 1977, two months before Carter's plan was finally drafted and presented before Congress. The article was written by Thorton Bradshaw, president of Atlantic Richfield and it is entitled "My Case for National Planning. Again we find Bradshaw disassociating himself from the Leontief/Woodcock grouping. Bradshaw's call for national planning is based on a particular failing of the market in supplying adequate energy. Bradshaw cites the non-existence of a market mechanism in oil (OPEC controls the market), the in-

ability of the market to guarantee new sources of energy and the political/military necessity to be free of foreign oil dependency. For these reasons the federal government must intervene. Following Schultze's notion of modification of the private system, Bradshaw suggests incentives and disincentives through taxes and subsidies that more or less resemble the Carter plan released months later.

Thus, Carter's energy plan is not a simple makeshift response to the "energy crisis;" it has been evolving within the ruling class as a potential position by which to resolve the political and ideological difficulties in establishing national economic priorities. Politically, the plan has aspects which seemingly cut through many of the controversial "consumer" issues that are related to energy such as the partial maintenance of price regulation on crude oil in order to prevent "windfall" profits. Moreover, Carter's strategy of market modification is designed to comfort the petty bourgeoisie (as well as the labor bureaucrats) that the market is still functioning and the state is above class interests.

Although this position and that espoused by the left-wing Keynesians are substantially different, there are still points of convergence, so that these two positions co-exist within a single political formation. Of course, it is the former which is dominant. More broadly seen, this political formation consists of a sector of monopoly capital, the Rockefeller grouping, the liberal intelligentsia, labor leaders and civil rights leaders. There are serious disagreements within this political bloc but for the most part they stand united in their opposition to the other wing of the bourgeoisie.

THE CARTER PLAN IN CONGRESS: THE BOSSES FIGHT IT OUT

These conflicting ideological positions have caused serious political problems for Carter in directing his plan through Congress. While the plan itself will most likely emerge from Congress in a compromised form, the battle within Congress, nonetheless, demonstrates the deepening rift within the capitalist class. If this rift continues political paralysis is certain to occur, and with it a political crisis of unusual proportions.

The Carter plan passed rather well through the first leg of its journey in

Congress; the House of Representatives approved the bill and sent it on to the Senate.

Carter's energy plan did not fare so well in the Senate. There the Republican Party coupled with Democrats from the South-West can act as a real force. Moreover, big business has more direct ties into the Senate since a Senator is dependent on state wide support for re-election. For these reasons the Senate has revised Carter's energy bill significantly. The Senate version of the Carter bill is, in fact, a big business bill. The Carter bill calls for heavy taxes on the use of oil and natural gas to further ensure conversion to new sources of energy, the Senate has for the most part dropped this proposal. More important, the Senate has rejected the well-head tax on domestic oil and proposes deregulation of natural gas. In short, the Senate bill eases inter-capitalist competition which Carter's bill promotes and keeps the surplus profits in the hands of the corporations.

**Here then are the two
paths of recovery offered
by the capitalist system:
One is open fascism;
the other a
'liberal' variant**

Carter's immediate reaction to this defeat in the Senate was to blame the oil companies. He called it a big rip-off. Since then Carter has toned down his anti-big business rhetoric and paved the way for a compromise. Carter has publicly stated that he would accept a bill if it met three rather broad criteria. The bill must be fair; it must promote energy conservation by encouraging alternate sources of energy; and it must protect the federal budget. The first point is purely ideological but necessary if Carter is to win the working class to accept the results of the energy plan, namely higher prices and a deepening economic crisis. The other two points only reemphasize the new role Carter is planning for the government in relationship to the economy.

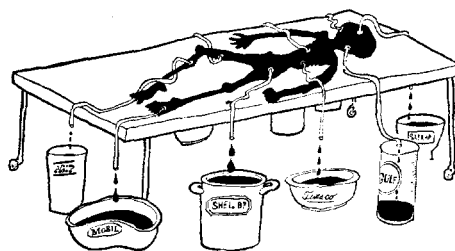
CONCLUSION: THE BOSSES' SOLUTION TO THE CRISIS—OLD STYLED FASCISM OR A NEW LIBERAL FASCISM

What can we conclude from all of this? To begin with, the economic future for the U.S. is far from bright. No matter what kind of energy program is passed the economic crisis will deepen, and the bosses will increase their internal fight on how to best exploit and politically dominate the working class. A state policy will increasingly be needed by which to guide the "nation" out of its hard times; yet, a political solution will be harder to find as the bosses internally become more fraction-ridden, causing a political paralysis. **What will be needed is a strong-arm state to take matters into hand.**

The debate on the Carter energy program has only exacerbated the existing split within the capitalist class and has firmly established the foundations for a traditional right-wing movement comprised of various sectors of the capitalist class and the petty bourgeoisie. What is so potentially dangerous about this formation is that "new money" interests and elements of "old money" are for the moment putting aside their economic conflicts in order to form a "unified" opposition to Carter's plan. Whether this "alliance" can hold over time and whether a political party can emerge capable of incorporating these elements along with the disenfranchised petty bourgeoisie so active in the anti-busing and anti-abortion movements remain to be seen. Whether successful or not, the very existence of a potentially old-time fascist movement with its anti-government, anti-labor and racist rhetoric is significant, since it helps solidify the principle formation that is transforming the state into an openly repressive apparatus.

If this is the conservative wing within the ruling class, then the liberal wing is comprised of liberal bosses like Rockefeller, state functionaries, liberal intellectuals, labor hacks and civil rights leaders. This formation, which has its roots in the New Deal, has become shaky in the past few years since the system is no longer able to deliver economic and social gains to the working class. The working class' living standard as a whole has dropped and the achievements of the Civil Rights Movement during the '60s is rapidly being undermined. All this spells growing discontent within the

working class and eroding of the sell-out leadership's hold over the working class. In fact as the crisis deepens the main thing that the sell-out trade union and civil rights leadership will have to keep the rank-and-file in line is **fear**—fear that the conservative sector of the bourgeoisie will sit in the high levels of the state: "If things are bad now, then imagine what they will be like if that crew gets in." This is the threat by which the sell-outs will try to win over parts of the rank-and-file and curtail the inevitable drift toward greater rank-and-file militancy.



It is through the "danger on the right" that the liberal wing of the bosses hope to keep the working class in line. If they can achieve this even nominally then they can institute the drastic economic policies required to pull them out of this crisis. Already Carter in his battle against the oil companies has appealed directly to the people using anti-boss rhetoric that reminds one of FDR in the years shortly before World War II when he came into conflict with sectors of the capitalist class. But if the move toward greater state intervention has as its cover an attack on big business, its real meaning will soon be discovered. For any split in the capitalist class is a split on how to best discipline the working class. The move against the "right" will only be an excuse to use open terror against the working-class resistance. The sell out trade union and civil rights leadership would help to legitimate this action and attempt to stop working class rebellion from spreading.

Here then are the two paths of recovery offered by the capitalist system. One is open fascism of the old type; the other is a "liberal" variant. Which one comes out on top makes little difference for the working class. Both camps offer the working class economic hardship, political terror and eventual war. Such a future the working class is certain to reject. Its future is with socialist revolution, and if we do our jobs that future is as certain as the bosses' need to move to fascism and war.

ENERGY

APPENDIX I

Despite this advantage it would still seem that the increase in the price of oil overall hurt the U.S. economy, by raising the price of energy. However, given the specific economic situation at the time of the price hike and the long term structural problem within the U.S. economy, such a proposition must be carefully qualified. By 1973 it had become apparent that the U.S. economy was experiencing a profound economic crisis. It was also recognized by the government that the crisis was associated with a falling rate of profit; massive studies concerning the problem of capital expenditures and productivity were being prepared. Simultaneously the reliability of the auto industry for generating economic growth was brought into question. In the bosses' vision of U.S. history the auto and related industries had provided the dynamic sector of the economy since the Second World War. But economic signals were demonstrating that those days were coming to an end. The auto market was becoming glutted; not only was it becoming more difficult to find markets in which to sell cars, but it was becoming apparent that the expansive character—i.e., the capital goods generating character of the industry—had played out its course. Prior to 1973 there were two dollar crises in which the U.S. government attempted to open foreign markets for Detroit by devaluing the dollar. Neither of these devaluations proved adequate in solving the economic problem.

What these devaluations did, however, was antagonize the oil interests. Devaluation was not viewed sympathetically by the oil sheikhs. Between 1955 and 1970 OPEC has claimed it lost about 35% of that part of their purchasing power which was in dollars. The devaluation did nothing but exacerbate that situation, thereby creating greater tensions between OPEC and the Big Seven Oil Cos. The Big Seven Oil Cos. could tolerate a devaluation as long as it helped to generate growth within the auto industry, and in turn stimulate growth in the oil industry. However, the devaluation was not providing a cure for the slackening economy, and the oil companies as well as the rest of U.S. capital, was continuing to experience a slow down and a falling rate of profit. Although the decline within the oil industry was not drastic (Exxon experienced a fall from 12.8% to 12.2%

in its profit rate between 1966 and 1972; Mobil's profit rate fell from 11.4% to 9.7%), it was sufficient to persuade the oil companies to go along with the price hike that OPEC had been demanding for some time. Thus, the economic crisis and the inability of the U.S. government to resolve it caused a division of interests to arise between what had been previously allied industries—auto and oil.

There is still a far more important aspect to the economic crisis and the oil price hike. Once the magnitude of the crisis and the inability of the auto industry to generate growth were recognized, sectors of the ruling class began to seek a new avenue of investment that could function as the dynamic sector. Interestingly enough it was Atlantic Richfield, one of the few oil companies to support the Carter Energy Program, which began to campaign against the automobile as a drain on the nation's energy supplies. It began to point out the need for an energy policy and new forms of technology which used energy more efficiently and would provide new avenues for capital investment. The argument was made plausible because of the increased costs of energy resulting from the oil price hike. In other words, the increased cost of energy was putting the U.S. bosses onto the scent of a new area of investment by which they hoped in part to resolve the economic crisis. Carter's energy policy follows precisely this logic.

APPENDIX II

The organic composition of capital is composed of variable and constant capital. The relationship between these two elements has two dimensions a) there is the technical relationship, i.e., how much variable capital a particular mass of constant capital calls into motion and b) the value relationship between the two. There is, according to Marx, a strong correlation between these two dimensions of the organic composition of capital. As capitalist accumulation takes place, the organic composition rises; i.e., constant capital replaces variable capital; since fewer workers are called into motion relative to constant capital, there is a tendency for the rate of profit to fall. There are a number of counteracting forces that can temporarily offset the tendency; e.g., an increasing rate of surplus value, the cheapening of

raw materials, etc. Despite these counteracting tendencies the falling rate of profit asserts itself and a crisis breaks out. It is in this crisis that capital overcomes its limits to accumulation by reorganizing the existing organic composition of capital; i.e., the existing technical/value relationship between constant and variable capital. This reorganization takes two forms: a) the deterioration in the living conditions of the working class (an increasing rate of exploitation) and b) the destruction of capital. This second point needs a little elaboration. When a crisis breaks out, a scramble for survival among capitalists takes place. The few eat up the many and capital becomes more concentrated and centralized. During this process the old values of constant capital are destroyed. For example, a machine that was once worth 500 hours of labor time may become worth only 250 during a crisis. This is the result either of overproduction that accompanies a crisis or the desperate need of the capitalists to raise cash in order to pay outstanding bills so that the capitalists are willing to liquidate their capital at any price. In either case, the value of the machinery falls. Through the crisis a new relationship between constant and variable capital is established. In our example, the machine that was once worth 500 hours of labor time and called into action 500 laborers

who received a wage worth 6 hours labor would as a result of a crisis be worth 250 hours of labor but it would still need 500 laborers in order for it to function properly. Because of this crisis the value of those laborers' wage may also have fallen; let us say from being worth 6 hours of labor, labor power fell to 4 hours. Here then a new relationship between constant and variable capital is established and accumulation may continue until it once again reaches the limits inherent within capitalist relationships as expressed in the falling rate of profit. What must be noticed is that the devaluation of capital may lower the value composition but it does not lower the level of productivity since what it destroyed is the value—not the use-value—of the machine.

Under monopoly capitalism this process is somewhat complicated. Agreements between the monopolists are able to restrict competition so that the existing values within the monopoly sector are not destroyed in the crisis. It is through this mechanism that the monopolies, at least temporarily, protect themselves from the ferocity of a crisis. But they must pay a price. Without capital's destruction accumulation can not take place on an expanded scale so that stagnation sets in with high levels of unemployment, a situation not unlike the 1970s.

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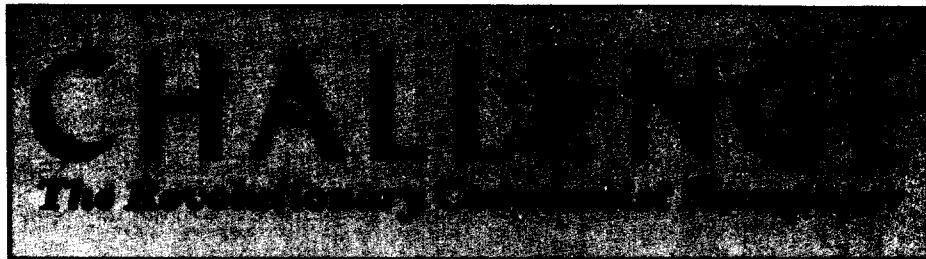
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